DOCUMENT RESUME

ED 054 361	VT 013 724
TITLE	Health Professions and Nursing Student Loan and Scholarship Programs. Manual of Information, Policies, and Procedures.
INSTITUTION	National Institutes of Health (DHEW), Bethesda, Md. Bureau of Health Manpower Education.
PUB DATE	71
NOTE	318p.
EDRS PRICE	EDRS Price MF-$0.65 HC-$9.87
DESCRIPTORS	Dentists, Educational Finance, Federal Programs, Financial Needs, Financial Support, *Health Occupations Education, Medical Education, Nurses, Pharmacists, Physicians, Professional Occupations, *Professional Personnel, Scholarships, *Student Loan Programs, *Subprofessionals, Veterinary Medicine
IDENTIFIERS	*Health Manpower Education

ABSTRACT

This manual covers basic policies and procedures governing four student loan and scholarship programs administered within the Bureau of Health Manpower, National Institutes of Health. An introductory chapter provides definitions, procedures, and reporting common to all programs, and this is followed by chapters describing: (1) The Health Professions Student Loan Program, (2) The Health Professions Scholarship Program, (3) The Nursing Student Loan Program, and (4) The Nursing Scholarship Program. The remaining chapters provide information on repayment plans, collection procedures, accounting for funds, reporting, and auditing. Information in the manual is provided in consecutively numbered subchapters and subsections. Federal legislation, forms, schedules of repayment plans, sample letters, and checklists pertinent to the loan and scholarship programs are appended. (SS)

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HEALTH PROFESSIONS and NURSING

STUDENT LOAN and SCHOLARSHIP PROGRAMS.

Manual of INFORMATION, POLICIES, AND PROCEDURES

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U.S. DEPARTMENT OF
HEALTH, EDUCATION, AND WELFARE
PUBLIC HEALTH SERVICE
NATIONAL INSTITUTES OF HEALTH
BUREAU OF HEALTH MANPOWER EDUCATION

DISCRIMINATION PROHIBITED –

Title VI of the Civil Rights Act of 1964 states: "No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance." Therefore, the Health Professions Student Assistance Programs and the Nursing Student Assistance Programs, like every program or activity receiving financial assistance from the Department of Health, Education, and Welfare, must be operated in compliance with this law.

August 1970

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CHAPTER I: STUDENT LOANS AND SCHOLARSHIPS - GENERAL INFORMATION

01–000 – INTRODUCTORY INFORMATION

01–010 – Use of the Manual

This Manual covers basic policies and procedures governing the Health Professions and Nursing Student Loan and Scholarship Programs administered within the Bureau of Health Manpower Education, National Institutes of Health, all of which have many similar provisions derived from their legislative authorization. The statutes governing the loan and scholarship programs are included in the Manual, as well as implementing regulations on each of the four programs. Incorporation of the basic requirements for the Bureau's loan and scholarship programs into a single manual is intended to assure uniform interpretation of policies and procedures governing these programs. If additional student loan and/or scholarship programs should be established within the Bureau, these additional programs will also be incorporated in the Manual.

This Manual supersedes the previous Manuals of Information, Policies and Procedures for both the Health Professions Student Loan Program (Revised July 1965) and the Nursing Student Loan Program (Revised July 1965) and the Health Professions Scholarship Handbook (November 1966) and incorporates all subsequent legislative changes affecting the programs. The Nursing Scholarship Program is included for the first time.

The Manual is organized so that definitions, procedures, and reporting common to all four programs are included in Chapters I and VII. Chapters II through V are devoted to the individual programs, with Chapters VI and VIII containing information common to the two loan programs. It is hoped that this method of organization will permit participating institutions to use relevant chapters of the Manual without unnecessary repetition. Information especially pertinent to the fiscal officer is contained in Chapters VI through VIII except that, because of the close relationship between the methods of capitalizing a loan fund and the administration of the fund, methods of capitalizing a loan fund and some other fiscal matters are repeated in the chapters dealing with the Health Professions and Nursing Student Loan Programs.

To facilitate the updating of program information as new legislative and administrative changes occur, subchapters and subsections are numbered consecutively from the beginning of the Manual, even though it is divided into major chapters. As the Manual is updated or revised, the changed portions will be transmitted by the administering Divisions with serially numbered Bureau of Health Manpower Education transmittal notices.

In addition to the basic requirements contained within this Manual, the awarding Divisions may also issue from time to time supplementary information, materials, or directives regarding the programs.

The Health Professions Student Loan and Health Professions Scholarship Programs are administered by the Division of Physician and Health Professions Education, Bureau of Health Manpower Education, National Institutes of Health, Bethesda, Maryland 20014. All applications for participation, operating reports, information requests, and questions regarding administration of these programs should be directed to that office.

The Nursing Student Loan and Nursing Scholarship Programs are administered by the Division of Nursing, Bureau of Health Manpower Education, National Institutes of Health, Bethesda, Maryland 20014. All applications for participation, operating reports, information requests, and questions regarding administration of these programs should be directed to that office.

Payments under these programs and the processing of institutional remittances are the responsibility of the Financial Management Staff (Student Loan and Scholarship Accounting Services), Bureau of Health Manpower Education, Bethesda, Maryland 20014.

01–020 – Purpose

The Health Professions Student Assistance Programs and the Nursing Student Assistance Programs assist students who need financial assistance to pursue a course of study leading to a degree of doctor of medicine, doctor of dental surgery or equivalent degree, doctor of osteopathy, doctor of optometry or equivalent degree, bachelor of science in pharmacy or

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equivalent degree, doctor of podiatry or equivalent degree, or doctor of veterinary medicine or equivalent degree; or to a diploma in nursing, associate degree in nursing, baccalaureate degree or equivalent degree in nursing, or graduate degree in nursing.

The goal is to increase the health manpower resources of the nation by providing financial assistance in the form of long-term, low-interest loans to full-time students in need who have been accepted for enrollment, or are already enrolled, in specified health professions schools and in programs of nursing education to enable them to pursue their courses of study; and by providing scholarships to students of exceptional financial need who need such assistance to pursue the specified studies.

01–030 – Authority

The authority of the Secretary of Health, Education, and Welfare to enter into agreements for the establishment and operation of student loan funds and to award scholarship grants derives from Title VII, Parts C and F, and Title VIII, Parts B and D, of the Public Health Service Act, as amended, (Exhibit A), and as implemented by the Regulations C.F.R., Title 42, Part 57, Subparts C, D, G, and J, (Exhibit B).

01–040 – Responsibilities of the school

In applying for participation in any one of the programs, the school agrees to administer the funds awarded in accordance with the governing Public Health Service regulations and policies in effect at the time of the award. The school assumes responsibility for the fiscal and administrative management of such funds and fulfillment of any special instructions which may be issued from time to time by the Secretary. The school is responsible for using Federal funds prudently for the purposes set forth in the approved application and notice of award.

01–050 – Civil Rights

Title VI of the Civil Rights Act of 1964 provides that "no person in the United States shall, on the ground of race, color, or national origin be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity receiving Federal financial assistance." All applicants and recipients of Federal financial assistance which is extended for Health Professions Student Assistance Programs and Nursing Student Assistance Programs must comply with the Regulation of the Department of Health, Education, and Welfare which implements such Title VI (45 C.F.R. Part 80). Under Section 80.4(a) of the Regulation, applicants and recipients of Federal financial assistance must execute an *Assurance of Compliance* form HEW–441, (Exhibit C–1).

01–060 – Definitions

To facilitate understanding of this *Manual*, certain terms are defined below.

1. **Act** – The Public Health Service Act, as amended.
2. **Secretary** – The Secretary of Health, Education, and Welfare, or any other officer or employee of the Department of Health, Education, and Welfare to whom the authority involved may be delegated.
3. **School** – A health professions school or school of nursing as defined below.
4. **Health Professions School** – A public or other nonprofit school of medicine, dentistry, osteopathy, optometry, podiatry, pharmacy, or veterinary medicine which provides a course of study, or a portion thereof, which leads respectively to a degree of doctor of medicine, doctor of dental surgery or an equivalent degree, doctor of osteopathy, doctor of optometry or an equivalent degree, doctor of podiatry or an equivalent degree, bachelor of science in pharmacy or an equivalent degree, or doctor of veterinary medicine or an equivalent degree, and which is accredited.
5. **School of nursing** – A collegiate, associate degree, or diploma school of nursing.
6. **Collegiate school of nursing** – A department, division, or other administrative unit in a college or university which provides primarily or exclusively a program of education in professional nursing and allied subjects leading to the degree of bachelor of arts, bachelor of science, bachelor of nursing or to an equivalent degree, or to a graduate degree in nursing, and including advanced training related to such program of education provided by such school, but only if such program, or such unit, college, or university is accredited.

7. **Associate degree school of nursing** – A department, division, or other administrative unit in a junior college, community college, college, or university which provides primarily or exclusively a two year program of education in professional nursing and allied subjects leading to an associate degree in nursing or to an equivalent degree, but only if such program, or such unit, college, or university is accredited.

8. **Diploma school of nursing** – A school affiliated with a hospital or university, or an independent school, which provides primarily or exclusively a program of education in professional nursing and allied subjects leading to a diploma or to equivalent indicia that such program has been satisfactorily completed, but only if such program, or such affiliated school or such hospital or university or such independent school is accredited.

9. **Accreditation** – Defined in the particular part of this Manual: HEALTH PROFESSIONS STUDENT LOAN PROGRAM, Chapter II; HEALTH PROFESSIONS SCHOLARSHIP PROGRAM, Chapter III; NURSING STUDENT LOAN PROGRAM, Chapter IV; and NURSING SCHOLARSHIP PROGRAM, Chapter V.

10. **Federal Capital Contribution** – The capital portion allotted by the Secretary to a school for deposit to a Health Professions Student Loan Fund or a Nursing Student Loan Fund pursuant to section 742 or section 824 of the Act.

11. **Institutional Capital Contribution** – The money provided by a school, in an amount not less than one-ninth of the Federal Capital Contribution, and deposited in a Health Professions Student Loan Fund or a Nursing Student Loan Fund.

12. **Federal Capital Loan** – A loan made by the Secretary to a school, pursuant to section 744(a) or section 827(a) of the Act, the proceeds of which are to be deposited by such school in a Health Professions Student Loan Fund or a Nursing Student Loan Fund.

13. **Student loan** – The amount of money advanced to a student by a school from a Health Professions Student Loan Fund(s) or a Nursing Student Loan Fund(s) under a properly executed promissory note.

14. **Scholarship grant** – A grant to a school for making scholarship awards as authorized by section 780(a) or section 860(a) of the Act.

15. **Scholarship or scholarship award** – The amount of money awarded to a student by a school as authorized by section 780(c) or section 860(c) of the Act.

16. **Full-time student** – A student who is enrolled in a school and pursuing a course of study which constitutes a full-time academic workload, as determined by the school, leading to a degree (or diploma) as specified above. A student who pursues a course of study leading to such specified degree (or diploma) on a part-time basis (less than a full-time academic workload) is not eligible to receive assistance.

17. **Ceases to be a full-time student** – A student shall be considered to have ceased to be a full-time student upon the first day of the month which is nearest to the date upon which he ceases to be a full-time student as defined above.

18. **National of the United States** – (1) A citizen of the United States, or (2) a person who, though not a citizen of the United States, owes permanent allegiance to the United States (8 U.S.C. 1101(a)(22)).

19. **Academic year** – The traditional, approximately nine-month September to June annual session. For the purpose of computing academic year equivalents for loans to students who, during a 12-month period, attend for a longer period than the traditional academic year, the academic year will be considered to be of nine months' duration.

20. **Fiscal year** – The Federal fiscal year beginning July 1 and ending on the following June 30.

21. **Permanently and totally disabled** – The inability to engage in any substantial gainful activity because of medically determinable impairment, which impairment is expected to continue for a long and indefinite period of time, or to result in death.

22. **Uniformed service** – The Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, and the Public Health Service.

23. **Advanced professional training in Health Professions** – Shall include only (a) internship and residency programs, and/or (b) full-time training beyond the first professional degree of at least one academic year which is provided by an accredited institution or an affiliate thereof, and which will advance the borrower's knowledge of and strengthen his skills in the health profession for the study of which he received the loan.

24. **Advanced professional training in Nursing** – The period during which the borrower is pursuing a full-time course of study at a collegiate school of nursing leading to a baccalaureate degree in nursing or an equivalent degree, or to a graduate degree in nursing, or is otherwise pursuing advanced professional training in nursing. "Otherwise pursuing advanced professional training in nursing" shall

include only full-time training, beyond the first diploma or degree in nursing received by the particular borrower, of at least one academic year which is provided by an accredited institution or an affiliate thereof, and which will advance the borrower's knowledge of and strengthen her skills in the provision of nursing services.

02–000 – INSTITUTIONAL PARTICIPATION

Requirements for institutional eligibility to participate in the Health Professions and Nursing Student Assistance Programs are discussed in Chapters II, III, IV, and V of the Manual.

02–010 - Joint procedures

To increase the effectiveness and simplify the administration of the loan and scholarship provisions, under each program, the loan and scholarship mechanisms are treated as a single entity with respect to the following fiscal and reporting procedures:

1. The same application form is used to apply for participation in both the loan and scholarship programs.
2. The Notice of Award includes both loan and scholarship support.
3. A single form is used to request advances of loan and scholarship funds.
4. The school submits one Annual Operating Report at the end of the fiscal year, reporting recipients and expenditures under both the loan and scholarship programs (see Chapter VII, 21–000 – *Reports*). The Act provides for the transfer of funds from a school's Student Loan Fund established by Federal Capital Contributions to a school's scholarship grant account or vice versa, as described in subsequent chapters of this Manual.

02–020 - Application to participate

The application (NIH–1614–11, Exhibit C–2) is a common form for applying to participate in the Health Professions Student Loan Program and the Health Professions Scholarship Program or the Nursing Student Loan Program and the Nursing Scholarship Program.

1. **When to apply** – Applications are mailed to participating and non-participating schools in November and must be properly executed and returned to the National Institutes of Health by the date specified in the instructions.

2. **Terms of agreement** – The application includes the institutional agreement for participation in the student loan programs. The Terms of Agreement are set forth on the reverse side of the form and become a part of the Terms and Conditions when the application is signed by the institution's authorized official.

02–030 – Notification to applicant

The *Notice of Award* (form NIH–1614–12, Exhibit C–3) is sent to the Authorized Official of the school, with copies to the Coordinator of Student Financial Aid and the Fiscal Officer, notifying the school of the amount of Federal funds allocated for student loans and/or a scholarship grant.

02–040 – Request for partial advance of funds

The form, *Request for Partial Advance of Funds*, (PHS–4663–24, Exhibit C–4), is sent to the Fiscal Officer at the time the Notice of Award is sent and is used to request payment for the amount needed for Federal Capital Contribution and/or Federal Capital Loan and/or scholarship funds for the ensuing quarter, trimester, or semester. Upon approval by the Bureau of Health Manpower Education of the request for a partial advance, a signed copy of the approved request form and an additional request form to be used for a subsequent request is sent to the Fiscal Officer. Payment of funds is made by U.S. Treasury check.

02–050 – Unrequested funds

Schools that have loan or scholarship authorizations for which funds have not been requested should advise the Bureau of Health Manpower Education by the end of April whether or not they need any portion or all of such unrequested funds for the remainder of the fiscal year concerned. At this time, the school should request the Bureau of Health Manpower Education to withdraw such portion of loan or scholarship authorization which the school will not need before June 30, because any amounts for which an advance of funds has not been requested will not be available for payment after June 30 of the particular fiscal year in question.

02–060 – Unused funds

Scholarship grant funds paid to the school but not used within the period specified in the grant award document must be returned to the Bureau of Health

Manpower Education at the end of that period. Such funds cannot be carried forward for expenditure in subsequent years.

02–070 – Annual operating report

An *Annual Operating Report* (form NIH–1614–13, Exhibit C–5) must be completed for each fiscal year, for each school or program of nursing education, in accordance with the instructions on the form. The forms are mailed to all participating schools at the end of the fiscal year for completion and return within 45 days. Reports (21–000) are discussed in Chapter VII of this Manual.

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03–000 – LOAN AND SCHOLARSHIP RECIPIENTS

03–010 – Selection and determination of financial need

It is the responsibility of the school to make reasonable determinations of need in accordance with this Manual and the policies and procedures established by the school. Financial assistance may be provided only to those students who meet the requirements for citizenship, academic status, and financial need as specified in the applicable Program Chapter of this Manual.

Under both the Health Professions and the Nursing Student Assistance Programs, a school is afforded the flexibility of providing the student with such financial assistance as will best meet his needs in the form of a loan, a scholarship, or a combination of both. In determining whether a student is in need of financial assistance to pursue the full-time course of study, the school must be guided by the policies for determining financial need as specified in the applicable Program Chapter of the Manual.

03–020 – Federal income tax

The Bureau of Health Manpower Education takes no position on the determination of taxability or tax exemption of recipients of monies from scholarship or loan funds other than to point out that the Internal Revenue Service definition of a scholarship generally means "an amount paid or allowed to, or for the benefit of, a student at an educational institution to aid such individual in pursuing his studies" and such amount may be excluded from gross income, subject to certain limitations depending on whether or not the student is a candidate for a degree.

It is suggested that recipients of loan and scholarship assistance be encouraged to communicate with the appropriate Regional Office of the Internal Revenue Service to obtain information regarding the income tax status of such monies.

CHAPTER II: THE HEALTH PROFESSIONS STUDENT LOAN PROGRAM

04–000 – INSTITUTIONAL PARTICIPATION

Any accredited public or nonprofit private school of medicine, dentistry, osteopathy, optometry, pharmacy, podiatry, or veterinary medicine which provides a course of study, or portion thereof, leading to a degree of doctor of medicine, doctor of dental surgery or an equivalent degree, doctor of osteopathy, doctor of optometry or an equivalent degree, bachelor of science in pharmacy or an equivalent degree, or doctor of veterinary medicine or an equivalent degree, located in a State, the District of Columbia, Puerto Rico, or the Virgin Islands is eligible to apply for participation in the Health Professions Student Loan Program.

04–010 – Accreditation

To be eligible, such schools must be accredited by the appropriate accrediting body, except that a new school which (by reason of no, or an insufficient, period of operation) is not, at the time of application, eligible for accreditation by the appropriate body, shall be deemed accredited if the Commissioner of Education finds, after consultation with the appropriate accreditation body, that there is reasonable assurance that the school will meet that body's accreditation standards prior to the beginning of the academic year following the normal graduation date of the first entering class in such school, or, if later, upon completion of any construction projects under construction or planned and to be commenced within a reasonable time.

The accrediting bodies which have been approved by the Commissioner of Education for the health professions schools are:

Medicine – Liaison Committee on Medical Education
Dentistry – Council on Dental Education, American Dental Association
Osteopathy – American Osteopathic Association
Optometry – Council on Optometric Education, American Optometric Association
Pharmacy – American Council on Pharmaceutical Education
Podiatry – Council on Education, American Podiatry Association
Veterinary Medicine – Council on Education, American Veterinary Medical Association

04–020 – General information

The procedures for (1) applying to participate, (2) notification of award, and (3) requesting an advance of funds, described in Chapter I, are applicable to the Health Professions Student Loan Program.

04–030 – Formula for allocating loan funds

If sufficient funds are available, each school will receive the amount it requests. If requests for Federal funds exceed the amount available, each school's allotment of loan funds shall be determined by formula, as described below, except that in no case may a school receive a greater allocation than the amount requested in the application.

The statutory formula for allocating loan funds for the Health Professions Student Loan Program is based upon the ratio that the number of full-time students estimated to be enrolled in each health professions school during the fiscal year for which the funds were appropriated bears to the total number of full-time students enrolled during that period in all schools that have approved applications. The Secretary makes the required estimates of the number of students from data furnished by the schools on their applications.

04–040 – Administration of the program

The Health Professions Student Loan Program is administered in accordance with the Act, the Regulations, this Manual, and such instructions as may be issued from time to time by the Bureau of Health Manpower Education.

Each school is requested to name an individual as Program Representative, who will be responsible for providing program information, as requested, and to identify the individual at the school who is responsible for coordinating all student financial aid programs (i.e., the Coordinator of Student Financial Aid).

Also to be identified is a Fiscal Officer who will be responsible for establishing and maintaining a separate account for each method of funding (Federal Capital Contribution or Federal Capital Loan) under which the school participates. If the school establishes a "Fund" under both methods of funding, each "Fund" shall be deposited and carried in a separate and distinct account as provided under the Act and in accordance with the terms of agreement. If the school also participates in the Health Professions Scholarship Program, a separate account must be set up for that program, as well.

04–050 – Federal Capital Contribution Fund

A school electing to participate in the Health Professions Student Loan Program under the Federal Capital Contribution plan must establish a Federal Capital Contribution Fund for the purpose of making loans to eligible students.

A. **Institutional contribution** – A sum contributed by the school and equal to at least one-ninth of the amount of the Federal Capital Contribution to the school must be deposited to the Federal Capital Contribution Fund at the same time as the Federal Contribution and must be maintained in the Fund so that at all times it represents not less than one-tenth of the total working capital in the Federal Capital Contribution Fund. (No withdrawals can be made from the Federal Capital Contribution Fund until the institution's contribution has been deposited.)

B. **Collections of principal and interest** – All collections on student loans are deposited to the Federal Capital Contribution Fund. Such monies may be reloaned so long as the school continues to participate in the program.

C. **Collections of penalty charges** – A school may assess a charge to a borrower for failure to pay all or any part of an installment when it is due, or for failure to file timely evidence of entitlement to deferment or cancellation of part or all of loan, at the rate of $1 for the first month or part thereof, and $2 for each subsequent month or part thereof. All such collections are deposited to the Federal Capital Contribution Fund. The school may elect to add the amount of any such charge to the principal amount of the loan as of the first day after the day on which such installment or evidence was due, or to make the amount of the charge payable to the school not later than the due date of the next installment after receipt by the borrower. of notice of the assessment of the charge.

D. **Other earnings of the Fund** – Any other earnings of the Fund are to be deposited to the Federal Capital Contribution Fund.

E. **Transfer of funds** – A school participating in both the Health Professions Student Loan Program, established by Federal Capital Contributions, and the Health Professions Scholarship Program is authorized to transfer sums not to exceed 20 percent of the amount of Federal Capital Contribution or scholarship grant payments to a school for any fiscal year, or such larger percentage thereof as the Secretary may approve.

1. *From Federal Capital Contribution Student Loan Fund to Health Professions Scholarship grant account* – A transfer of funds from a school's Federal Capital Contribution Student Loan Fund to its Health Professions Scholarship grant account, not to exceed 20 percent of the total amount of Federal Capital Contributions paid to the school in any fiscal year, may be made at the option of the school and used for scholarships when more funds are required to assist students of exceptional financial need than can be provided from funds authorized for Health Professions Scholarships in a particular fiscal year.

Funds paid to a school in the form of a Federal Capital Loan to capitalize its Health Professions Student Loan Fund cannot be transferred to a Health Professions Scholarship grant account.

2. *To Federal Capital Contribution Student Loan Fund from Health Professions Scholarship grant account* – A transfer of funds to a Federal Capital Contribution Student Loan Fund from its Health Professions Scholarship grant account, not to exceed 20 percent of the total amount of Health Professions Scholarship funds paid to the school in any fiscal year, may be made at the option of the school and used for loans when the school determines that its students can be more adequately assisted by Health Professions Student Loans than by Health Professions Scholarships. It is expected that such a transfer would not be effected if eligible students would be denied scholarship support, since the purpose of the Health Professions Scholarship grant is to assist students of exceptional financial need.

3. *In excess of 20 percent* – A transfer of Federal Capital Contribution or scholarship grant funds in excess of 20 percent of the respective amount paid to a school in a particular fiscal year may be made when the school demonstrates a need to transfer a larger sum than authorized under either 1. or 2. above. The Secretary may approve a request for a transfer of

funds in excess of 20 percent only when the school furnishes justification that exceptional circumstances exist warranting such transfer. A school making such request shall describe the exceptional circumstances involved and the effect that the transfer would have on the school's future requirements for loan and scholarship support. The Secretary will give special consideration to the socio-economic setting of the families of the students who would benefit by such transfer.

4. *Matching funds* – A school transferring funds from its Federal Capital Contribution Student Loan Fund to its Health Professions Scholarship grant account may withdraw from its Federal Capital Contribution Fund its proportionate contribution. On the other hand, a school transferring funds to its Health Professions Student Loan Fund established by Federal Capital Contributions from its Health Professions Scholarship grant account is required to deposit to the Federal Capital Contribution Fund, from its own resources, a sum equal to at least one-ninth of the amount so transferred. Sums transferred must be reported at the close of the fiscal period in which the transfers were made. (See Chapter VII, Reports - 21-000).

F. **Costs of litigation** – The costs of litigation arising in connection with the collection of any obligation to the Federal Capital Contribution Fund are to be paid out of the Federal Capital Contribution Fund.

G. **Uncollectible loans** – Under the Federal Capital Contribution plan, a loan is not written off as uncollectible until the end of the program, inasmuch as the Act does not authorize the expenditure of student loan funds for such losses.

H. **Cancellations** – On cancellations for death, disability, and the practice of medicine, dentistry, osteopathy, or optometry in shortage areas, a school is reimbursed its proportionate share of the amount of principal and interest canceled. That share, which is normally 10 percent, need not be deposited into the Federal Capital Contribution Fund since the Government assumes 100 percent of the principal and interest canceled.

I. **Distribution of assets** – Upon termination of the program there shall be a capital distribution of the balance of the loan fund established by the school, with the Secretary and the school dividing the balance in the loan fund on the basis of the total proportionate amounts contributed by each. The school will then be required to submit quarterly reports to the Bureau of Health Manpower Education, remitting the Government's proportionate share of amounts received thereafter in payment of principal, interest, and other income on loans made from the fund. (Checks should be made payable to the Public Health Service, DHEW.) At the time of each quarterly remittance, the school should withdraw from the Fund its proportionate share of the quarterly cash accumulation.

04–060 – Federal Capital Loan Fund (revolving fund)

A school electing to participate in the Health Professions Student Loan Program under the Federal Capital Loan (revolving fund) plan must establish a Federal Capital Loan Fund for the purpose of making loans to eligible students.

A. **Promissory note** – A promissory note is executed by the school each time the school receives an advance of funds. Upon approval of a request for funds, the Bureau of Health Manpower Education forwards a note to the school to be executed by the authorized official of the school; (*Federal Revolving Fund Promissory Note*, form PHS-4663-4, Exhibit C-6).

The note is generally a 20 - year note: a period sufficient to allow repayment from amounts collected from student borrowers, at a rate of interest specified by the Secretary for the month in which the Federal Capital Loan is made.

B. **Collections of principal and interest** – All collections of principal and interest on student loans made from the Federal Capital Loan Fund are deposited to the Federal Capital Loan Fund. Such monies are remitted to the Bureau of Health Manpower Education the first of each month to retire the amount of a school's promissory note. The amount of principal on student loans thus collected and remitted will be applied to the outstanding principal balance of the oldest promissory note of the school remaining unpaid.

Until such time as collections are received from borrowers, the total interest accruing on such note is assumed by the Secretary. When payments begin, the school's account is credited with the difference between the interest remitted from collections on loans made to students and the interest accruing on the promissory note.

C. **Collections of penalty charges** – A school may assess a charge to a borrower for failure to pay all or any part of an installment when it is due, or for failure to file timely evidence of entitlement to deferment or cancellation of part or all of a loan, at the rate of $1 for the first month or part thereof, and $2 for each subsequent month or part thereof. All collections of penalty charges are deposited to the Federal Capital Loan Fund and forwarded to the Bureau of Health Manpower Education on a monthly basis. The school may elect to add the amount of any such charge to the principal amount of the loan as of the first day after the day on which the installment or evidence was due, or to make the amount of the charge payable to the school not later than the due date of the next installment after receipt by the borrower of notice of the assessment of the charge.

D. **Other earnings of the Fund** – Any other earnings of the Fund are to be deposited to the Federal Capital Loan Fund and remitted to the Bureau of Health Manpower Education the first of each month.

Remittances under B., C., and D. above should be accompanied by a letter identifying the specific types of collections or earnings included.

E. **Transfer of Funds** – *Transfer of monies into or out of the Federal Capital Loan Fund is not authorized by the Act.*

F. **Costs of litigation** – The costs of litigation arising in connection with the collection of any obligation to the Federal Capital Loan Fund may be paid out of the Federal Capital Loan Fund. These amounts are to be reported on the *Annual Operating Report* (form NIH–1614–13, Exhibit C–5). The Bureau of Health Manpower Education credits the school's promissory note in the amount of such costs.

G. **Uncollectible loans** – Under the Federal Capital Loan plan, the Secretary assumes an amount equal to 90 percent of the loss on an uncollectible loan. As soon as it is established that a loan is uncollectible, the school submits a check to the Bureau of Health Manpower Education for 10 percent of the uncollectible loan. This amount, together with the 90 percent assumed by the Secretary, will be applied against the unpaid balance of the school's promissory note(s).

H. **Cancellations** – A school is reimbursed the amount of principal canceled for death, disability, and the practice of medicine, dentistry, osteopathy, or optometry in shortage areas, as reported on the *Annual Operating Report* (form NIH–1614–13, Exhibit C–5). The Bureau of Health Manpower Education credits the school's promissory note for the principal amount canceled.

04–070 – Unrequested funds

Schools that have authorized Federal capital for which funds have not been requested should advise the Bureau of Health Manpower Education by the end of April whether or not they need all or any portion of such unrequested funds for the remainder of the fiscal year concerned. At this time, the school should request the Bureau of Health Manpower Education to withdraw such portion of authorized Federal capital which the school will not need before June 30, since any amounts for which an advance of funds has not been requested will not be available for payment after June 30 of the particular fiscal year in question.

04–080 – Annual operating report

An *Annual Operating Report* (form NIH–1614–13, Exhibit C–5) must be completed for each school at the end of each fiscal year in accordance with the instructions on the form. (Reports are discussed in Chapter VII, 21–000.)

05–000 – THE HEALTH PROFESSIONS STUDENT'S LOAN

The schools are responsible for determining student need and for selecting recipients of financial assistance and determining the amounts of loans.

05–010 – Nondiscrimination

No eligible applicant shall be denied a student loan on account of sex, race, creed, color, or national origin.

05–020 – Student eligibility

Student loans from any Fund (Federal Capital Contribution Fund or Federal Capital Loan Fund) may be made only to students who meet the following requirements:

(1) *Citizenship* – A student applicant must be a citizen or other national of the United States, or must have such immigration status and personal plans as to justify the conclusion that he is in the United States for other than a temporary purpose and intends to become a permanent resident of the United States. A student who is in this country on a visitor's visa is not eligible.

(2) *Academic status* – An applicant must be enrolled, or accepted for enrollment, as a full-time student in a school participating in the Health Professions Student Loan Program. (See *Definition* 16, 01–060, Chapter I.)

Preprofessional students, interns, residents, and students seeking advanced training are not eligible for assistance.

(3) *Financial need* – An essential condition of a student's eligibility for financial assistance is that he be in need of the requested assistance in order to pursue the full-time course of study in which he is enrolled, or is accepted for enrollment.

05–030 – Determination of need

It is the responsibility of the school to select qualified applicants and to make reasonable determinations of need in accordance with this Manual and the policies and procedures established by the school. In determining whether a student is in need of a loan to pursue a full-time course of study, the school shall take into consideration:

(1) The financial resources available to the student; and

(2) The costs reasonably necessary for the student's attendance at the school, including any special needs and obligations which directly affect the student's ability to attend the school on a full-time basis.

Financial resources which may be assessed include support available to the student from (a) his parents, (b) his own and his spouse's earnings and savings, and (c) other sources such as prizes, scholarships, and repayable loans. In assessing the expenses a student will incur, the school may include costs reasonably necessary for tuition, fees, books, equipment, and living and other expenses.

In determining the resources available to a student in the form of repayable loans, a school may establish reasonable limits on the maximum amount of past and future repayable loan obligations which it is practicable for a student to assume for his educational expenses.

05–040 – Prohibition of concurrent loan from National Defense Student Loan Fund

So long as the agreement between the school and the Secretary to operate a Health Professions Student Loan fund remains in effect, no student eligible to receive a health professions loan from the school may receive a loan from a loan fund established under section 204 of the National Defense Education Act of 1958.

05–050 – Maximum amount of loan

The maximum Health Professions Student Loan available to an individual borrower in an academic year or its equivalent is $2,500, or the amount of the student's financial need, whichever is the lesser.

For students enrolled in schools that have a required course of study longer than the traditional nine-month September to June academic year, the maximum amount of the loan may be proportionately increased. For example, if a student is required to pursue the course of study for a full 12 months, he can borrow a maximum of 12/9 of $2,500 or $3,333 for that period.

A student who applies for a loan after the first quarter, semester, or term is not prohibited from receiving up to the maximum loan, provided the amount of the loan does not exceed the amount he needs to be able to pursue the course of study for the remainder of the academic year.

05–060 – Application for a student loan

Each school may devise and use such student application forms as it chooses. Required data for audit purposes, however, must include evidence of the recipient's eligibility for the loan, the amount, date and any special terms. Student applications are not submitted to the Bureau of Health Manpower Education but are to be retained by the school. (See Chapter VII, Disposition - 19–020.)

05–070 – Records of approval or disapproval

The records of the school shall indicate the basis for approval or disapproval of all or any part of each student application for a loan.

05–080 – Student promissory note

Each loan to a student must be evidenced by a note executed by the student borrower which sets forth the legal conditions under which the loan is made. The sums advanced on the note may be drawn from the Federal Capital Contribution Fund and/or the Federal Capital Loan Fund. The note is the legal document which binds the student to his repayment obligations. Since it represents a major asset of the school's loan fund or funds, the note must be properly executed and adequately safeguarded. The particular method of insuring such protection is the school's responsibility.

The *Student Promissory Note* form (NIH–1614–2, Exhibit C–8) embodies all the pertinent requirements set forth in the Act. It is a common form that may be used for the Health Professions Student Loan Program as well as the Nursing Student Loan Program. Any proposed, substantive deviation from such form must be submitted to the Bureau of Health Manpower Education for review and approval before it may be used by the school.

A. Execution of the note – The promissory note is executed by the student borrower at the time the loan is approved. It is not necessary that a separate promissory note be executed each time a loan is approved for the same student since the Schedule of Advances, which is part of the note, requires an endorsement by the student each time an advance is made.

For loans made after June 30, 1969, to students who had previously borrowed at a different interest rate, a new note must be executed to comply with the Act, which makes a uniform interest rate of 3 percent per year (with a one-year grace period) applicable for all loans made after that date. Thereafter, subsequent loans approved for the same student borrower are to be endorsed in the Schedule of Advances, which is a part of the note, for such amounts as may be advanced to the student from time to time.

B. Interest rate – Loans shall bear interest on the unpaid balance, computed only for periods for which the loan is repayable.

Since the beginning of the Health Professions Student Loan Program, the rates on student loans have been as follows: fiscal years 1965 and 1966, 4¼ percent; fiscal year 1967, 4 5/8 percent; fiscal year 1968, 4¾ percent; fiscal year 1969, 5 3/8 percent. Prior to July 1, 1969, all loans made to the same borrower were at the rate of the borrower's initial loan. Beginning July 1, 1969, however, a uniform interest rate of 3 percent applies to all new student loans made, regardless of whether the borrower holds a note made in a previous fiscal year.

C. Security and endorsement – The Act states that a loan shall be made without security or endorsement, except that if the borrower is a minor and the note or other evidence of obligation executed would not, under the applicable State law, create a binding obligation, either security or endorsement may be required. The Act recognizes that State laws differ as to what constitutes a binding obligation for a minor. As a result, in States in which the signature of a minor would not of itself create a legally enforceable obligation on the note, a school may, at its option, require either security or endorsement in addition to the minor's signature. Provision for this is made on the form.

D. **Combining amounts advanced for repayment purposes** – When more than one loan is made to the student borrower from a Health Professions Student Loan Fund or Funds, for repayment purposes the sum of the amounts advanced shall be combined into and regarded as the total loan made to the student borrower, representing his total indebtedness to the Fund(s).

Separate repayment schedules will be necessary, however, for a student who receives a loan prior to July 1, 1969, at the established rate of interest at the time the initial loan was made, and who executes a note at the uniform interest rate of 3 percent per year applicable after June 30, 1969: one for the rate applicable prior to July 1, 1969, with the three-year grace period, and the other at the 3 percent rate applicable after June 30, 1969, with the one-year grace period. (Exhibit D)

An exception to combining the sum of the amounts advanced into one total loan made to the student borrower occurs when the student interrupts his education for a period longer than the grace period and re-enters the same or another such school and receives additional Health Professions Student Loans, or receives loans from two or more schools.

05–090 – Disclosure requirements – Truth in Lending Act

The Truth in Lending provisions of the Consumer Credit Protection Act make it incumbent upon lenders to make specific statements of disclosure regarding the finance charges on Health Professions Student Loans. Effective July 1, 1969, such disclosure must be made (and signed by the borrower) each time a loan commitment is made and at the time a repayment schedule is executed.

A format for such disclosure which could be used to satisfy the requirements of the Act must include:

(1) *At the time loan commitment is made* –

(a) The amount of the loan;

(b) A statement of the anticipated date on which the finance charge begins to accrue (i.e., in general terms defined by termination of grace and deferment periods);

(c) The annual percentage rate – (1) prior to the beginning of the repayment period, 0%; (2) during the repayment period, 3%;

(d) The amount financed through this transaction;

(e) A statement of applicable delinquency and default charges;

(f) A statement of provisions for acceleration of payment;

(g) The signatures of the lender's representative and the borrower.

(2) *At the time repayment schedule is executed* –

(a) A statement of the date on which the finance charge begins to accrue;

(b) The unpaid principal balance(s), and the amount financed;

(c) Finance charge (total interest due during the repayment period);

(d) Number and amount of payments;

(e) Total of payments;

(f) Due date and frequency of payment;

(g) Annual percentage rate;

(h) A statement of applicable delinquency and default charges;

(i) A statement of provisions for acceleration of payment;

(j) The signatures of the lender's representative and the borrower.

Additional information on the Truth in Lending Act, which the school will find helpful in preparing the necessary disclosure documents, is available from the Federal Reserve Board, Washington, D.C. 20551. Schools are urged to consult with institutional legal counsel to determine the actual format and wording appropriate to the school's particular situation. The Department of Health, Education, and Welfare can only provide general guidance relative to the Truth in Lending Act requirements as responsibility for compliance with the law rests with the lending institution.

05–100 – Exit interview

The school should arrange an exit interview between the Program Representative or Coordinator of Student Financial Aid and the borrower shortly before he leaves the school, at which time determination of an appropriate repayment plan should be made if this has not already been done. Such an interview is needed regardless of whether the borrower is leaving the school because of completion of the course of study or is withdrawing for other reasons. At this time, the borrower will know the full amount of his indebtedness and presumably will have information as to his future plans on which to estimate his repayment capacity. Because of change of circumstances, he may wish to reconsider the repayment plan which he chose when the loan was originally approved.

The student borrower must be given the option to choose between at least one equal and one graduated periodic plan and should be given a choice of all available schedules offered under each plan (e.g., monthly, quarterly, semi-annual, annual).

When a student borrower withdraws from school for a reason other than graduation, it would be helpful to the school in its planning if the borrower is able to indicate (1) whether he intends to resume a full-time course of study in the same or another health professions school within the grace period or (2) whether his plans are such that it is probable that he will later request deferment of repayment because of active duty as a member of a uniformed service or as a volunteer in the Peace Corps.

The borrower's permanent mailing address should be confirmed, and he should be reminded of his agreement on the promissory note to inform the school of any subsequent change of address.

At this time, the borrower should be furnished with a copy of *A Guide for repayment, deferment, and cancellation of Health Professions Student Loans* (published December 1969), copies of which have been furnished to all participating schools. This pamphlet is designed to provide the borrower with a convenient reference on his rights and obligations and other essential information for the orderly retirement of his loan. (See Chapter VIII, Collection Procedures -23–000 for further discussion of the exit interview.)

06–000 – LOAN REPAYMENT.

By signing a promissory note, a student agrees to repay his loan in accordance with the terms of the note, the Act, and Federal regulations and policies governing the Health Professions Student Loan Program.

A. **Repayment period** – Repayment of the principal of the total loan, together with accrued interest thereon, shall be made over a 10-year repayment period which begins immediately after the grace period expires, except that the school may provide that payments of principal and interest by the borrower shall be at a rate equal to not less than $15 per month.

B. **Equal or graduated installments** – Repayment of principal, together with accrued interest thereon, shall be made in equal or graduated periodic installments in accordance with the terms of the schedule approved by the school and the Secretary, and agreed to by the borrower at the time of his exit interview.

Installments shall in no case be paid less frequently than annually and shall begin not later than the end of the first year of the repayment period.

C. **Accelerated payment** – The borrower may, at his option and without penalty, prepay all or any part of the principal and accrued interest at any time.

D. **Penalty charges** – A school may provide for a late penalty charge for failure of the borrower to pay all or any part of an installment when it is due, or for failure to file timely and satisfactory evidence of entitlement to deferment or cancellation of part or all of loan at the rate of $1 for the first month or part thereof and $2 for each subsequent month or part thereof.

E. **Loans from both Federal Capital Contribution and Federal Capital Loan Funds** – Monies received in repayment of loans made to the same student from both a Federal Capital Contribution Fund and Federal Capital Loan Fund must be prorated according to the loan total from each fund in crediting the student's account, because repayments to the Federal Capital Contribution Fund may be reloaned to students, but repayments to the Federal Capital Loan Fund must be remitted to the Bureau of Health Manpower Education.

F. **Change of address** – The borrower undertakes to inform the school to which he is indebted under the note of any change in his address after he ceases to be a full-time student at the school.

06–010 – Grace period

Repayment of principal is not required and interest does not accrue during the grace period, which is three years on loans made prior to July 1, 1969, and one year on loans made after June 30, 1969. The grace period begins on the first day of the month nearest to the date the student ceases to be a full-time student pursuing an eligible course of study at a health professions school.

A. **Expiration date of the grace period** – The period of grace must consist of 36 consecutive months (for loans made prior to July 1, 1969) or 12 consecutive months (for loans made after June 30, 1969) from the time that a student borrower ceases to pursue a full-time course of study at a health professions school. The criterion regarding the expiration date of the grace period is the determination by the school that the borrower has been away from full-time student status for such continuous 36 or 12-month period, respectively, regardless of whether or not he has, immediately upon graduation, entered professional practice subject to cancellation benefits.

B. **Grace period for additional loans** – A borrower who has been accorded the maximum grace period on one loan and who later resumes a full-time course of study at the same or another school and receives an additional loan is not entitled to an additional grace period for the original loan.

06–020 – Deferment

Interest shall not accrue on loans and installments need not be paid when a student borrower:

(1) Ceases to pursue a full-time course of study at a health professions school, but re-enters the same or another health professions school within the three-year grace period (for loans made prior to July 1, 1969) or the one-year grace period (for loans made after June 30, 1969).

(2) Performs active duty as a member of a uniformed service (Army, Navy, Marine Corps, Air Force, Coast Guard, Coast and Geodetic Survey,

Public Health Service) or as a volunteer under the Peace Corps Act, (up to three years). Such service performed concurrently with the grace period does not extend the length of the grace period. If the grace period has elasped at the end of a borrower's service, the first installment payment on the loan would be due at the next scheduled repayment anniversary date.

(3) Pursues up to five years of advanced professional training, including internships and residencies. Deferment for such advanced professional training must be granted if requested by the borrower for loans made after June 30, 1969.

A school may also permit deferment of repayment of loans made prior to July 1, 1969, for those borrowers who enter into advanced professional training performed after June 30, 1969, when requested by the student. The policy of the school in granting such deferments should be applied consistently for all borrowers. For deferment purposes, the total of the periods for advanced professional training and the grace period may not exceed six years regardless of when the loan was made.

To claim deferment of repayment of loan, a borrower must file a *Certification of Student Status* form, (NIH–1614–5, Exhibit C–9), with the school from which he received assistance. Three copies of the form should be executed; the original and one copy to be returned to the school from which the loan was made, the third copy to be retained by the borrower. The borrower completes the applicable portion and signs the form. The authorized official at the school which he is then attending, or the commanding officer or Peace Corps official, must attest to the validity of his statement before the form is forwarded to the lending school for approval or disapproval. It is the responsibility of the borrower seeking deferment of repayment of a loan to assure that the properly executed form is forwarded to the school from which the loan was made (a) when the first repayment installment is due; (b) annually thereafter as long as status is claimed; and (c) upon termination of such status.

06–030 – Cancellation

Principal and interest installments may be canceled under the following circumstances:

(1) *Death* – Upon the death of a borrower, the unpaid balance of his loan and accrued interest thereon shall be canceled.

To claim cancellation, the executor of the borrower's estate must submit a death certificate or such other official proof as is conclusive under State law to the school. The school retains such proof for audit purposes and is reimbursed by the Bureau of Health Manpower Education for its portion of the loan which is canceled as described under the Federal Capital Contribution Fund, H. Cancellations –04–050, and the Federal Capital Loan Fund, H. Cancellations –04–060, of this Chapter.

(2) *Permanent and total disability* – A borrower is entitled to cancellation of his indebtedness in the event of his permanent and total disability. Permanent and total disability is defined as being unable to engage in any substantial gainful activity because of medically determinable impairment, which impairment is expected to continue for a long and indefinite period of time or to result in death. Such determination shall be made by the Secretary on the recommendation of the school, supported by such medical certification as may be required, relating to the borrower's disability.

To claim cancellation for disability, a borrower should submit a formal request to the school from which he received his loan, indicating: (a) date entered, date graduated, or date studies terminated; (b) total amount of loans obtained; (c) amount of unpaid balance; (d) nature, and date of onset, of the disability; (e) employment prior to disability; and (f) medical examination and/or treatment.

The claimant is required to consent in writing for the release of pertinent information on the disability, from any physician, hospital, or institution having such medical records, to the school and to the Bureau of Health Manpower Education as may be needed to determine eligibility for the cancellation of the loan.

The school should then forward to each physician a copy of the claimant's signed consent for release of information, requesting a medical report, and explaining the general provisions of the program pertaining to cancellation of a loan on the ground of the borrower's permanent and total disability. The report should be sufficiently detailed to provide for comprehensive review to determine the nature, duration, and extent of impairment.

The school should then forward its recommendation, accompanied by medical certification, to the Bureau of Health Manpower Education for review and final determination by the Secretary. The school will be formally notified of the Secretary's decision. Such notification should be retained as a permanent record in the student's school file for audit and other review purposes.

(3) *Professional practice in a shortage area* – A borrower is entitled to have a portion of his loan canceled for each full year that he practices medicine, osteopathy, dentistry, or optometry in a shortage area in the United States, Puerto Rico, or the Virgin Islands and the appropriate State health authority certifies that the practice has helped to meet the area's shortage of and need for physicians (M.D. and D.O.), dentists, or optometrists. Eligible practice during the grace period entitles the borrower to claim cancellation but does not extend the length of the grace period.

(a) *Eligibility for loan cancellation* – To be eligible for loan cancellation, a borrower must (i) be licensed to practice medicine, osteopathy, dentistry, or optometry; (ii) practice his profession in a designated shortage area for twelve consecutive months; and (iii) have the appropriate State health authority certify to his eligibility for such cancellation. A borrower desiring to utilize the forgiveness benefit is responsible for initiating action to establish eligibility for and claim entitlement to cancellation of loan installment payments.

(b) *50% loan cancellation* – If a borrower practices in a designated shortage area and the appropriate State health authority certifies that such practice has helped to meet the area's need for health services, such borrower is entitled to cancellation of up to 50 percent of the amount of his loan that is unpaid on the first day of such practice, plus accrued interest, at the rate of 10 percent of such amount for each complete year of such practice.

(c) *100% loan cancellation* – If a borrower practices in a shortage area which has been determined by the Secretary, pursuant to regulations and after consultation with the appropriate State health authority, to be a rural area characterized by low family income, such borrower is entitled to cancellation of up to 100 percent of the amount of his loan that is unpaid on the first day of such practice, plus accrued interest, at the rate of 15 percent of such amount for each complete year of such practice.

07–000 – OBTAINING CANCELLATION FOR PROFESSIONAL PRACTICE

The borrower who intends to apply for the forgiveness benefit should write to the appropriate State health authority for information on existing shortage areas in the State(s) where he is interested in establishing practice. (See Addresses of State Health Authorities, Exhibit F.)

1. **Determination of shortage area** – The appropriate State health authority is responsible for assessing the availability of professional health services within his State and designating its shortage areas on the basis of professional/population ratios or special health problems. He acts as consultant to the Secretary on rural low-income area determinations; provides information on shortage areas, and assures borrowers that practice in specific areas will qualify for loan cancellation. He is responsible for reassessing State health manpower needs so that shortage area designations may be maintained on a current basis.

To help facilitate the administration of the forgiveness benefit of the Health Professions Student Loan Program for physicians (M.D. and D.O.), dentists, and optometrists who practice in areas which have a shortage of and need for such health professions manpower, the State health authority has been furnished the *State Health Authority Handbook* (October 1968).

The National List of areas designated as shortage areas, and areas determined to be rural low-income, as of December 1, 1966, was compiled from data furnished by the appropriate State health authorities on the *Designated Shortage Areas* form, (PHS–4663–15, Exhibit C–10). No shortage areas were designated for purposes of loan cancellation before December 1, 1966; therefore, cancellation benefits may not be extended for practice in a shortage area prior to that date.

Copies of the Handbook and the National List have been furnished to all schools of medicine, dentistry, osteopathy, and optometry. When the State health authority for a particular State furnishes the Bureau of Health Manpower Education with revised shortage area designations due to changes in professional/population ratios and special health problems, the individual State listing is revised and furnished to all schools which have been provided the National List.

2. **Request for Assurance** – A borrower, licensed to practice medicine, osteopathy, dentistry, or optometry, and intending to apply for the forgiveness benefit (a) obtains information on designated shortage areas from the appropriate State health authority or the school from which he received his loan; (b) selects a shortage area for the establishment of his practice; and (c) seeks assurance for the selected area by submitting a *Request for Assurance* form, (PHS–4663–16, Exhibit C–11) to the appropriate State health authority. The validated assurance guarantees the borrower that after 12 continuous months of practice in the designated area, he will qualify for loan cancellation, even if the area ceases to be designated as a shortage area.

An assurance for an area should not be requested more than six months in advance of the date that the borrower plans to begin practicing in the area. Assurances expire eight months from the date of issuance unless practice is begun and the State health authority notified. When a borrower finds that he cannot begin practice before the assurance expires, he may be provided an extension of time if extension is considered appropriate by the State health authority.

The State health authority should be notified if the borrower decides not to practice in a shortage area for which he had been granted an assurance.

3. **Notice of practice** – To claim entitlement to loan cancellation, a borrower must notify the State health authority and the Bureau of Health Manpower Education of the date he began providing professional services in the area by filing a *Notice of Practice in Shortage Area* form,(PHS–4663–17, Exhibit C–12). A borrower practicing in an area before it was designated a shortage area will be credited with practice for purposes of cancellation from the date of designation as a shortage area.

The notification must be submitted to the State health authority (a) before the assurance expires; (b) annually thereafter, not later than two weeks from borrower's anniversary date of beginning practice in the area. So long as a borrower practices continuously in the area and files a *Notice of Practice* annually, he retains eligibility for cancellation of the appropriate amount of his loan even though the area may cease to be designated as a shortage area.

The State health authority should be notified immediately upon the borrower's termination of practice in a shortage area so that the assurance for that area may be granted to another applicant.

4. **Request for postponement of installment payment** – Should a borrower's repayment installment become due before the end of a complete year of practice, he must submit to the lending school a *Request for Postponement of Installment Payment* form, (PHS–4663–18, Exhibit C–13), to defer payment until he is eligible for cancellation. The first postponement request must be accompanied by a copy of his validated *Request for Assurance* form to assure the school that he is entitled to such postponement.

5. **Request for cancellation** – At the end of each year of practice, a borrower requests certification of his eligibility for loan cancellation by submitting a *Request for Partial Cancellation of Loan* form, (PHS–4663–19, Exhibit C–14), to the State health authority who then forwards the certified request to the lending school in order that partial cancellation may be effected.

A borrower practicing in a shortage area during the grace period would follow the same procedure.

07–010 – Availability of cancellation forms

The form, *Designated Shortage Areas*, (PHS–4663–15) has been supplied to all State health authorities (listed in Exhibit F) for their use in designating shortage areas. The forms necessary for the borrower to claim entitlement to loan cancellation are to be obtained from the school from which he received assistance.

08–000 – CANCELING LOANS FOR PROFESSIONAL PRACTICE

When the State health authority has certified on the *Request for Partial Cancellation of Loan* form, (PHS–4663–19, Exhibit C–14) that the borrower has met all requirements for entitlement to cancellation of loan, the form is then forwarded to the institutional representative at the school from which the loan was made. The school determines the amount of principal and interest to be canceled and credits that amount to the borrower's account. The school then completes the form, returns one copy to the borrower and forwards one copy to the Bureau of Health Manpower Education.

One copy of the form must be retained by the school to support accounting entries made at the time the cancellation is effected. This process is repeated on completion of each year of eligible practice for which the borrower requests cancellation.

When the amount canceled is less than the required annual payment, the borrower must submit a check or money order in the amount of the difference to the school at the time he submits the *Request for Partial Cancellation of Loan* form to the State health authority.

08–010 – Amount to be canceled

When it has been established that a borrower is eligible for cancellation of his loan for practice in a designated shortage area, the school will determine the amount to be canceled by establishing the base amount of the loan. It is the base amount to which the 10 percent for practice in a shortage area, or the 15 percent for practice in a rural shortage area is calculated.

A. **Principal** – The base amount of a loan is the amount of principal actually owed by the borrower on the first day of his practice in a shortage area (i.e., the first day he is available to begin providing professional service to the public), or the amount he would owe at that time had all repayments due under the terms of his note been made, whichever is the lesser.

Example: The total amount of a borrower's health professions loan is $1,000; the borrower repays $100 before beginning practice in a shortage area which would entitle him to claim cancellation at the rate of 10 percent per year for each complete year of such practice; the base amount of the loan is $900. Up to 50 percent of the total unpaid amount of the loan is cancellable ($450) at the rate of 10 percent per year for each complete year of service ($90 per year).

The base amount remains fixed for the duration of the repayment period, even though the borrower should discontinue his practice in the area and, at a later date, begin practicing again in the same or another shortage area. The first day of practice in a shortage area is the first day of the first complete year of practice on which cancellation for professional practice may be predicated.

B. **Interest** – The borrower who is entitled to cancellation of 10 percent or 15 percent of the base amount of a loan is also entitled to cancellation of all interest which has accrued on the unpaid balance of the loan during the preceding twelve months of practice in the shortage area.

08–020 – Maximum amount allowable for cancellation

A borrower is entitled to a maximum cancellation of 50 percent of the base amount of his loan for practice in a designated shortage area. Since the yearly cancellation rate is 10 percent of the base amount, the allowable 50 percent cancellation could be accomplished by practicing five years.

A borrower practicing in a rural shortage area characterized by low family income is entitled to a maximum cancellation of 100 percent of the base amount of his loan at the rate of 15 percent yearly. The shortest time in which this could be accomplished is seven years.

08–030 – Effect of loan payments on cancellation

Payments which become due, or are made prior to the beginning of practice in a shortage area, result in a reduction of the amount upon which cancellation is calculated and such payments are not subject to cancellation. In order to realize the maximum cancellation benefit, it is to the borrower's advantage, therefore, to begin practice in a shortage area before any payment on his loan becomes due.

When the amount canceled for the year of practice is not sufficient to cover the required annual installment of principal because of a reduced base amount, the borrower must make an annual payment in the amount of the difference between the scheduled installment and the amount canceled.

08–040 – Postponement of payment in anticipation of cancellation

Receipt of a borrower's *Request for Postponement of Installment Payment* form, (PHS–4663–18, Exhibit C–13), need not be confirmed by the school unless the request is denied. This document authorizes the school to postpone collection of the required installment until the end of the borrower's complete year of practice. If the borrower does not complete the practice year, he would then be required to pay the amount due and to continue on his regular repayment schedule.

The first postponement request must be accompanied by a valid assurance to assure the school that the borrower is entitled to such postponement.

08–050 – Loan cancellation in lieu of required installment

Amounts canceled for practice in a shortage area should be credited as repayments against installments due.

Cancellation is to be based on the certified *Request for Partial Cancellation of Loan* form, (PHS–4663–19, Exhibit C–14). No cancellations may be effected for practice in a shortage area prior to its date of designation. The effective date for original designations was December 1, 1966; the date will vary for subsequent designations.

08–060 – Reimbursement to school as result of cancellation

When all or any part of a loan, or the interest thereon, is canceled as a result of practice in a shortage area, theFederal government reimburses the school operating a loan fund under the Federal Capital Contribution plan in an amount equal to the school's proportionate share of the canceled principal and interest of the loan.

The government credits to the account of a school operating a loan fund under the Federal Capital Loan plan, the full amount of principal canceled. (See Federal Capital Contribution Fund, 04–050, H. Cancellations; and Federal Capital Loan Fund, 04–060, H. Cancellations, of this Chapter.)

CHAPTER III: HEALTH PROFESSIONS SCHOLARSHIP PROGRAM

09–000 – INSTITUTIONAL PARTICIPATION.

Any accredited public or nonprofit private school of medicine, dentistry, osteopathy, optometry, pharmacy, podiatry, or veterinary medicine which provides a course of study, or portion thereof, leading to a degree of doctor of medicine, doctor of dental surgery or an equivalent degree, doctor of osteopathy, doctor of optometry or an equivalent degree, bachelor of science in pharmacy or an equivalent degree, doctor of podiatry or an equivalent degree, or doctor of veterinary medicine or an equivalent degree, located in a State, the District of Columbia, Puerto Rico, or the Virgin Islands is eligible to apply for participation in the Health Professions Scholarship Program.

09–010 – Accreditation

To be eligible, such schools must be accredited by the appropriate accrediting body, except that a new school which (by reason of no, or an insufficient, period of operation) is not, at the time of application, eligible for accreditation by the appropriate body, shall be deemed accredited if the Commissioner of Education finds, after consultation with the appropriate accreditation body, that there is reasonable assurance that the school will meet the body's accreditation standards prior to the beginning of the academic year following the normal graduation date of the first entering class in such school, or, if later, upon completion of any construction projects under construction or planned and to be commenced within a reasonable time.

The accrediting bodies which have been approved by the Commissioner of Education for the health professions schools are:

Medicine – Liaison Committee on Medical Education

Dentistry – Council on Dental Education, American Dental Association

Osteopathy – American Osteopathic Association

Optometry – Council on Optometric Education, American Optometric Association

Pharmacy – American Council on Pharmaceutical Education

Podiatry – Council on Education, American Podiatry Association

Veterinary Medicine – Council on Education, American Veterinary Medical Association

09–020 – General information

The procedures for (1) applying to participate, (2) notification of award, and (3) requesting an advance of funds, described in Chapter I, are applicable to the Health Professions Scholarship Program.

09–030 – Formula for allocating scholarship grants

A grant will be awarded annually to each eligible school applying for a scholarship grant. The amount awarded is based on the statutory formula of 10 percent of the number of full-time students enrolled in the school times $2,000. When the amount of funds available for any fiscal year is less than the total of the amounts so computed, the grant awarded to each participating school is reduced proportionately.

For purposes of computing the amount of the scholarship grant to be awarded to any school for any fiscal year, the number of full-time students of such school shall be the number which the Secretary, on the basis of data furnished by the school on its application, determines to be the number of such students to be enrolled in such school on October 15 of such year.

09–040 – Administration of the program

The Health Professions Scholarship Program is administered in accordance with the Act, the Regulations, this Manual, and such instructions as may be issued from time to time by the Bureau of Health Manpower Education.

Each school is requested to name an individual as Program Representative, who will be responsible for providing program information, as requested, and to identify the individual at the school who is responsible for coordinating all student financial aid programs (i.e., the Coordinator of Student Financial Aid).

Also to be identified is a Fiscal Officer who will be responsible for establishing a separate and distinct grant account as provided under the Act.

09–050 – Use of funds

A. **Scholarship awards** – Scholarship grant funds shall be obligated by the school solely for awarding scholarships to eligible students during the fiscal year specified in the grant award document, except for funds transferred as described below. Any funds not so transferred, and not required to discharge such obligations, shall be returned to the Bureau of Health Manpower Education at the end of the fiscal year.

B. **Transfer of funds** – A school participating in both the Health Professions Scholarship Program and the Health Professions Student Loan Program, established by Federal Capital Contributions is authorized to transfer funds not to exceed 20 percent of the amount paid to a school for any fiscal year, or such larger percentage thereof as the Secretary may approve.

1. *From Health Professions Scholarship grant account to Federal Capital Contribution Student Loan Fund* – A transfer of funds from a school's Health Professions Scholarship grant account to its Federal Capital Contribution Student Loan Fund, not to exceed 20 percent of the total amount of Federal Scholarship funds paid to the school in any fiscal year, may be made at the option of the school and used for loan to eligible students.

It is expected that such a transfer would not be effected if eligible students would be denied scholarship support since the purpose of the Health Professions Scholarship grant is to assist students of exceptional financial need.

Health Professions Scholarship funds cannot be transferred to a Health Professions Student Loan Fund established by a Federal Capital Loan.

2. *To Health Professions Scholarship grant account from Federal Capital Contribution Student Loan Fund* – A transfer of funds to a school's Health Professions Scholarship grant account from its Federal Capital Contribution Student Loan Fund, not to exceed 20 percent of the total amount of Federal Capital Contributions paid to the school in any fiscal year, may be made at the option of the school and used for scholarships when more funds are required to assist students of exceptional financial need than can be provided from funds authorized for Health Professions Scholarships in a particular fiscal year.

3. *In excess of 20 percent* – A transfer of Federal Capital Contribution or scholarship grant funds in excess of 20 percent of the respective amount paid to a school in a particular fiscal year may be made when the school demonstrates a need to transfer a larger sum than authorized under either 1. or 2. above. The Secretary may approve a request for a transfer of funds in excess of 20 percent only when the school furnishes justification that exceptional circumstances exist warranting such transfer.

A school making such request shall describe the exceptional circumstances involved and the effect such transfer would have on the school's future requirements for scholarship and loan support. The Secretary will give special consideration to the socioeconomic setting of the families of the students who would benefit by such transfer.

4. *Matching funds* – A school transferring funds from its Health Professions Scholarship grant account to its Health Professions Student Loan Fund established by Federal Capital Contributions is required to deposit to the Federal Capital Contribution Fund, from its own resources, a sum equal to at least one-ninth of the amount so transferred. On the other hand, a school transferring funds to its Health Professions Scholarship account from its Health Professions Student Loan Fund established by Federal Capital Contributions may withdraw from its Federal Capital Contribution Fund its proprotionate contribution.

Sums transferred must be reported at the close of the fiscal period in which the transfers were made. (See Chapter VII, Reports, 21–000.)

09–060 – Unused funds

Scholarship grant funds not obligated for scholarships awarded in the fiscal year specified in the grant award document must be returned to the Bureau of Health Manpower Education at the end of that fiscal year. *Such funds cannot be carried forward for expenditure in subsequent fiscal years.*

09–070 – Annual operating report

An *Annual Operating Report* (form NIH–1614–13, Exhibit C–5) must be completed for each fiscal year, for each school, in accordance with the instructions on the form. (Reports are discussed in Chapter VII, 21–000.)

10–000 – HEALTH PROFESSIONS SCHOLARSHIP AWARDS

A student must be of exceptional financial need to be eligible for a scholarship award. All determinations of need shall be made by the school in accordance with this Manual and the policies and procedures established by the school.

10–010 – Nondiscrimination

No eligible applicant shall be denied a scholarship award on account of sex, race, creed, color or national origin.

10–020 – Student eligibility

Scholarships may be awarded only to students who meet the following requirements:

(1) *Citizenship* – A student applicant must be a citizen or other national of the United States, or must have such immigration status and personal plans as to justify the conclusion that he is in the United States for other than a temporary purpose and intends to become a permanent resident of the United States. A student who is in this country on a visitor's visa is not eligible.

(2) *Academic status* – An applicant must be enrolled, and in good standing, or accepted for enrollment, as a *full-time* student in a school participating in the Health Professions Scholarship Program. (See Definition 16, 01–060, Chapter I.)

Preprofessional students, interns, residents, and students seeking advanced training are not eligible for scholarship awards.

(3) *Exceptional financial need* – To receive scholarship assistance, an applicant must be of exceptional financial need and require such assistance to pursue the full-time course of study at the school in the particular year.

10–030 – Determination of need

It is the responsibility of the school to select qualified applicants and to make reasonable determinations of need in accordance with this Manual and the policies and procedures established by the school. In determining whether a student, is of exceptional financial need and requires such financial assistance to pursue the full-time course of study, the school shall take into consideration:

(1) The financial resources available to the student; and

(2) The costs reasonably necessary for the student's attendance at the school, including any special needs and obligations which directly affect the student's ability to attend the school on a full-time basis.

Financial resources which should be assessed include support available to the student from (a) his parents, (b) his own and his spouse's earnings and savings, and (c) other sources such as prizes, other scholarships, and repayable loans. In assessing the expenses a student will incur, the school should include costs reasonably necessary for tuition, fees, books, equipment, and living and other expenses.

Although scholarships may be awarded to any student who has exceptional need for financial assistance, the school may give priority to students whose backgrounds are characterized by educational, cultural, or economic deprivation.

In arriving at such determination, the school is expected to make responsible judgments concerning the magnitude of need of all students who apply for financial assistance.

10–040 – Maximum amount of scholarship

The school determines annually the amount of the scholarship required to meet the student's need. The scholarship may cover such portion of the cost of the student's tuition, fees, books, equipment, and living expenses as the school finds necessary, but it may not exceed $2,500 for any 12-month period. A school may indicate to a scholarship recipient that scholarship support will be continued for the period required to complete the course of study leading to the degree, subject to satisfactory academic performance, availability of scholarship grant funds, and continuation of the recipient's financial need for scholarship assistance.

10–050 – Application for a scholarship award

Each school may devise and use such student application forms as it chooses. Required data for audit purposes, however, should include evidence of the recipient's eligibility for the award, the amount, and the date of the award. Student applications should not be submitted to the Bureau of Health Manpower Education but should be retained by the school. (See Chapter VII, Disposition – 19–020.)

10–060 – Records of approval or disapproval

The records of the school shall indicate the basis for approval or disapproval of all or any part of each student application for a scholarship award.

10–070 – Termination of scholarship award

It is the responsibility of the school to terminate a scholarship if the student withdraws or is dismissed from the school prior to the scheduled scholarship termination date. It is also the school's responsibility to terminate a scholarship if the student ceases to be a full-time student or if the school determines that the student misrepresented his financial need.

CHAPTER IV: THE NURSING STUDENT LOAN PROGRAM

11–000 – INSTITUTIONAL PARTICIPATION

Any accredited public or nonprofit private school of nursing which provides a program of nursing education leading to a diploma in nursing, an associate degree in nursing, a baccalaureate degree in nursing or an equivalent degree, or a graduate degree in nursing, located in a State, the District of Columbia, Puerto Rico, Guam, the Canal Zone, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands is eligible to apply for participation in the Nursing Student Loan Program.

11–010 – Accreditation

To be accredited, a school of nursing must be accredited as a program of nurse education, or must be a department, division or other administrative unit in a junior college, community college, college or university which is accredited, or must be affiliated with a hospital or university which is accredited by a recognized body or bodies, or by a State agency, approved for such purpose by the Commissioner of Education. A program, or a hospital, school, college, or university which is not, at the time of application, eligible for accreditation by such a recognized body or bodies or State agency, shall be deemed accredited for purposes of the Nursing Student Loan Program if the Commissioner of Education finds, after consultation with the appropriate body or bodies, that there is reasonable assurance that the program or the hospital, school, college, or university will meet the accreditation standards of such body or bodies prior to the beginning of the academic year following the normal graduation date of students who are in their first year of instruction at such school in the fiscal year in which the Secretary enters into an agreement with the school for the establishment of a Nursing Student Loan Fund.

The list of recognized accrediting bodies and of State agencies includes organizations which have been determined by the Commissioner of Education to be reliable authority as to the quality of training offered by schools of nursing. Included in the "list" for purposes of institutional and program accreditation are the associations and agencies listed below.

Regional Accrediting Associations:

Commission on Institutions of Higher Education, Middle States Association of Colleges and Secondary Schools

Commission on Institutions of Higher Education, New England Association of Colleges and Secondary Schools

Commission on Colleges and Universities, North Central Association of Colleges and Secondary Schools

Commission on Higher Schools, Northwest Association of Secondary and Higher Schools

Commission on Colleges and Universities, Southern Association of Colleges and Schools

Accrediting Commission for Senior Colleges and Universities, Accrediting Commission for Junior Colleges, Western Association of Schools and Colleges

National Specialized Accrediting Association:

Board of Review, National League for Nursing, Inc.

State Agencies:

California Board of Nursing Education and Nurse Registration

Board of Regents, University of the State of New York

Iowa Board of Nursing

Missouri State Board of Nursing

Montana State Board of Nursing

New Hampshire Board of Nursing Education and Nurse Registration

West Virginia State Board of Examiners for Registered Nurses

The associations or State agencies listed may be re-evaluated from time to time by the Commissioner. Other associations or State agencies desiring to be included may request inclusion by the Commissioner of Education in writing.

11–020 – General information

The procedures for (1) applying to participate, (2) notification of award, and (3) requesting an advance of funds, described in Chapter I, are applicable to the Nursing Student Loan Program.

11–030 – Formula for allocating loan funds

If sufficient funds are available, each school will receive the amount it requests. If requests for Federal funds exceed the amount available, each school's allotment of loan funds shall be determined by statutory formula as described below except that in no case may a school receive a greater allocation than the amount requested in the application.

The formula for allocating loan funds for the Nursing Student Loan Program is based upon the ratio that the number of full-time students estimated to be enrolled in each school of nursing during the fiscal year for which the funds were appropriated bears to the total number of full-time students enrolled during that period in all schools that have approved applications. The Secretary makes the required estimates of the number of students from data furnished by the schools on their applications.

11–040 – Administration of the program

The Nursing Student Loan Program is administered in accordance with the Act, the Regulations, this Manual and such instructions as may be issued from time to time by the Bureau of Health Manpower Education.

Each school is requested to name an individual as Program Representative, who will be responsible for providing program information, as requested, and to identify the individual at the school who is responsible for coordinating all student financial aid programs (i.e., the Coordinator of Student Financial Aid).

Also to be identified is a Fiscal Officer who will be responsible for establishing and maintaining a separate account for each method of funding (Federal Capital Contribution or Federal Capital Loan) under which the school participates. If the school establishes a "Fund" under both methods of funding, each "Fund" shall be deposited and carried in a separate and distinct account as provided under the Act and in accordance with the terms of agreement. If the school also participates in the Nursing Scholarship Program, a separate account must be set up for that program, as well.

11–050 – Federal Capital Contribution Fund

A school electing to participate in the Nursing Student Loan Program under the Federal Capital Contribution plan must establish a Federal Capital Contribution Fund for the purpose of making loans to eligible students.

A. **Institutional contribution** – A sum contributed by the school and equal to at least one-ninth of the amount of the Federal Capital Contribution to the school must be deposited to the Federal Capital Contribution Fund at the same time as the Federal contribution and must be maintained in the Fund so that at all times it represents not less than one-tenth of the total working capital in the Federal Capital Contribution Fund. (No withdrawals can be made from the Federal Capital Contribution Fund until the institution's contribution has been deposited.)

B. **Collections of principal and interest** – All collections on student loans are deposited to the Federal Capital Contribution Fund. Such monies may be reloaned so long at the school continues to participate in the program.

C. **Collections of penalty charges** – A school may assess a charge to a borrower for failure to pay all or any part of an installment when it is due, or for failure to file timely evidence of entitlement to deferment or cancellation of part or all of loan, at the rate of $1 for the first month or part thereof, and $2 for each subsequent month or part thereof. All such collections are deposited to the Federal Capital Contribution Fund. The school may elect to add the amount of any such charge to the principal amount of the loan as of the first day after the day on which such installment or evidence was due, or to make the amount of the charge payable to the school not later than the due date of the next installment after receipt by the borrower of notice of the assessment of the charge.

D. **Other earnings of the Fund** – Any other earnings of the Fund are to be deposited to the Federal Capital Contribution Fund.

E. **Transfer of funds** – A school participating in both the Nursing Student Loan Program, established by Federal Capital Contributions, and the Nursing Scholarship Program is authorized to transfer sums not to exceed 20 percent of the amount of Federal Capital Contribution or scholarship grant payments to a school for any fiscal year, or such larger percentage thereof as the Secretary may approve.

1. *From Federal Capital Contribution Student Loan Fund to Nursing Scholarship grant account* – A transfer of funds from a school's Federal Capital Contribution Student Loan Fund to its Nursing Scholarship grant account, not to exceed 20 percent of the total amount of Federal Capital Contributions paid to the school in any fiscal year, may be made at the option of the school and used for scholarships when more funds are required to assist students of exceptional financial need than can be provided from funds authorized for Nursing Scholarships in a particular fiscal year.

Funds paid to a school in the form of a Federal Capital Loan to capitalize its Nursing Student Loan Fund cannot be transferred to a Nursing Scholarship grant account.

2. *To Federal Capital Contribution Student Loan Fund from Nursing Scholarship grant account* – A transfer of funds to a school's Federal Capital Contribution Student Loan Fund from its Nursing Scholarship grant account, not to exceed 20 percent of the total amount of Nursing Scholarship funds paid to the school in any fiscal year, may be made at the option of the school and used for loans when the school determines that its students can be more adequately assisted by Nursing Student Loans than by Nursing Scholarships.

It is expected that such a transfer would not be effected if eligible students would be denied scholarship support since the purpose of the Nursing Scholarship grant is to assist students of exceptional financial need.

3. *In excess of 20 percent* – A transfer of Federal Capital Contribution or scholarship grant funds in excess of 20 percent of the respective amount paid to a school in a particular fiscal year may be made when the school demonstrates a need to transfer a larger sum than authorized under either 1. or 2. above. The Secretary may approve a request for a transfer of funds in excess of 20 percent only when the school furnishes justification that exceptional circumstances exist warranting such transfer.

A school making such request shall describe the exceptional circumstances involved and the effect that the transfer would have on the school's future requirements for loan and scholarship support. The Secretary will give special consideration to the socioeconomic setting of the families of the students who would benefit by such transfer.

4. *Matching funds* – A school transferring funds from its Federal Capital Contribution Student Loan Fund to its Nursing Scholarship grant account may withdraw from its Federal Capital Contribution Fund its proportionate contribution. On the other hand, a school transferring funds to its Nursing Student Loan Fund established by Federal Capital Contributions from its Nursing Scholarship grant account is required to deposit to the Federal Capital Contribution Fund, from its own resources, a sum equal to at least one-ninth of the amount so transferred.

Sums transferred must be reported at the close of the fiscal period in which the transfers were made. (See Chapter VII, 21–000, Reports.)

F. **Costs of litigation** – The costs of litigation arising in connection with the collection of any obligation to the Federal Capital Contribution Fund are to be paid out of the Federal Capital Contribution Fund.

G. **Uncollectible loans** – Under the Federal Capital Contribution plan, a loan is not written off as uncollectible until the end of the program, inasmuch as the Act does not authorize the expenditure of student loan funds for such losses.

H. **Cancellations** – On cancellations for death, disability, and for full-time employment as a professional nurse, a school is reimbursed its proportionate share of the amount of principal and interest canceled. That share, which is normally 10 percent, need not be deposited into the Federal Capital Contribution Fund since the Government assumes 100 percent of the principal and interest canceled.

I. **Distribution of assets** – Upon termination of the program, there shall be a capital distribution of the balance of the loan fund established by the school, with the Secretary and the school dividing the balance in the loan fund on the basis of the total proportionate amounts contributed by each. The school will then be required to submit quarterly reports, remitting to the Bureau of Health Manpower Education the Government's proportionate share of amounts received thereafter in payment of principal, interest, and other income on loans made from the fund. (Checks should be made payable to the Public Health Service, DHEW.) At the time of each quarterly remittance, the school should withdraw from the Fund its proportionate share of the quarterly cash accumulation.

11–060 – Federal Capital Loan Fund (revolving fund)

A school electing to participate in the Nursing Student Loan Program under the Federal Capital Loan (revolving fund) plan must establish a Federal Capital Loan Fund for the purpose of making loans to eligible students.

A. **Promissory note** – A promissory note is executed by the school each time the school receives an advance of funds. Upon approval of a request for funds, the Bureau of Health Manpower Education forwards a note to the school to be executed by the authorized official of the school; (Federal Revolving Fund Promissory Note, form PHS–4755–6, Exhibit C–7).

The note is generally a 20-year note: a period sufficient to allow repayment from amounts collected from student borrowers, at a rate of interest specified by the Secretary for the month in which the Federal Capital Loan is made.

B. **Collections of principal and interest** – All collections of principal and interest on student loans made from the Federal Capital Loan Fund are deposited to the Federal Capital Loan Fund. Such monies are remitted to the Bureau of Health Manpower Education the first of each month to retire the amount of a school's promissory note. The amount of principal on student loans thus collected and remitted will be applied to the outstanding principal balance of the oldest promissory note of the school remaining unpaid.

Until such time as collections are received from borrowers, the total interest accruing on such note is assumed by the Secretary. When payments begin, the school's account is credited with the difference between the interest remitted from collections on loans made to students and the interest accruing on the promissory note.

C. **Collections of penalty charges** – A school may assess a charge to a borrower for failure to pay all or any part of an installment when it is due, or for failure to file timely evidence of entitlement to deferment or cancellation of part or all of a loan, at the rate of $1 for the first month or part thereof, and $2 for each subsequent month or part thereof. All collections of penalty charges are deposited to the Federal Capital Loan Fund and forwarded to the Bureau of Health Manpower Education on a monthly basis.

The school may elect to add the amount of any such charge to the principal amount of the loan as of the first day after the day on which the installment or evidence was due or to make the amount of the charge payable to the school not later than the due date of the next installment after receipt by the borrower of notice of the assessment of the charge.

D. **Other earnings of the Fund** – Any other earnings of the Fund are to be deposited to the Federal Capital Loan Fund and remitted to the Bureau of Health Manpower Education the first of each month.

Remittances under B. C. and D. above should be accompanied by a letter identifying the specific types of collections or earnings included.

E. **Transfer of funds** – *Transfer of monies into or out of the Federal Capital Loan Fund is not authorized by the Act.*

F. **Costs of litigation** – The costs of litigation arising in connection with the collection of any obligation to the Federal Capital Loan Fund may be paid out of the Federal Capital Loan Fund. These amounts are to be reported on the Annual Operating Report (form NIH–1614–13, Exhibit C–5). The Bureau of Health Manpower Education credits the school's promissory note in the amount of such costs.

G. **Uncollectible loans** – Under the Federal Capital Loan plan, the Secretary assumes an amount equal to 90 percent of the loss on an uncollectible loan. As soon as it is established that a loan is uncollectible, the school submits a check to the Bureau of Health Manpower Education for 10 percent of the uncollectible loan. This amount, together with the 90 percent assumed by the Secretary, will be applied against the unpaid balance of the school's promissory note(s).

H. **Cancellations** – A school is reimbursed the amount of principal canceled for death, disability, and full-time employment as a professional nurse as reported on the *Annual Operating Report* (form NIH–1614–13, Exhibit C–5). The Bureau of Health Manpower Education credits the school's promissory note for the principal amount canceled.

11–070 – Unrequested funds

Schools that have authorized Federal capital for which funds have not been requested should advise the Bureau of Health Manpower Education by the end of April whether or not they need all or any portion of such unrequested funds for the remainder of the fiscal year concerned. At this time, the school should request the Bureau of Health Manpower Education to withdraw such portion of authorized Federal capital which the school will not need before June 30, since any amounts for which an advance of funds has not been requested will not be available for payment after June 30 of the particular fiscal year in question.

11–080 – Annual operating report

An *Annual Operating Report* (form NIH–1614–13, Exhibit C–5) must be completed for each program at the end of each fiscal year in accordance with the instructions on the form. (Reports are discussed in Chapter VII, 21–000.)

12–000 – THE NURSING STUDENT'S LOAN

The schools are responsible for determining student need and for selecting recipients of financial assistance and determining the amounts of loans.

12–010 – Nondiscrimination

No eligible applicant shall be denied a student loan on account of sex, race, creed, color, or national origin.

12–020 – Student eligibility

Student loans from any Fund (Federal Capital Contribution Fund or Federal Capital Loan Fund) may be made only to students who meet the following requirements:

(1) *Citizenship* – A student applicant must be a citizen or other national of the United States, or must have such immigration status and personal plans as to justify the conclusion that she is in the United States for other than a temporary purpose and intends to become a permanent resident of the United States. A student who is in this country on a visitor's visa is not eligible.

In addition, permanent residents of the Trust Territory of the Pacific Islands are eligible to receive assistance while attending participating schools.

(2) *Academic status* – An applicant must be (a) enrolled, or accepted for enrollment, as a *full-time* student in a school participating in the Nursing Student Loan Program; and (b) capable, in the opinion of the school, of maintaining good standing in the course of study. (See Definition 16, 01–060, Chapter I.)

(3) *Financial need* – An essential condition of a student's eligibility for financial assistance is that she be in need of the requested assistance in order to pursue the full-time course of study in which she is enrolled, or is accepted for enrollment.

12–030 – Selection of recipients and determination of need

It is the responsibility of the school to select qualified applicants and to make reasonable determinations of need in accordance with this Manual and the policies and procedures established by the school.

In selecting recipients of loans, a school shall give preference to licensed practical nurses. Schools are expected to continue financial assistance to needy students through the completion of their program, dependent upon the availability of funds.

In determining whether a student is in need of a loan to pursue a full-time course of study, the school shall take into consideration:

(1) The financial resources available to the student; and

(2) The costs reasonably necessary for the student's attendance at the school, including any special needs and obligations which directly affect the student's ability to attend the school on a full-time basis.

Financial resources which may be assessed include support available to the student from (a) her parents, (b) her own and her spouse's earnings and savings, and (c) other sources such as prizes, scholarships, and other repayable loans. In assessing the expenses a student will incur, the school may include costs reasonably necessary for tuition, fees, books, equipment, and living and other expenses.

In determining the resources available to a student in the form of repayable loans, a school may establish reasonable limits on the maximum amount of past and future repayable loan obligations which it is practicable for a student to assume for her educational expenses.

12–040 – Prohibition of concurrent loan from National Defense Student Loan Fund

So long as the agreement between the school and the Secretary to operate a Nursing Student Loan fund remains in effect, no student eligible to receive a nursing loan from the school may receive a loan from a loan fund established under Section 204 of the National Defense Education Act of 1958.

12–050 – Maximum amount of loan

The maximum Nursing Student Loan available to an individual borrower in an academic year or its equivalent may not exceed $1,500, or the amount of the student's financial need, whichever is the lesser.

For students enrolled in schools that have a required course of study longer than the traditional nine-month September to June academic year, the maximum amount of the loan may be proportionately increased. For example, if a student is required to pursue the course of study for a full 12 months, she can borrow a maximum of 12/9 of $1,500 or $2,000 for that period. The aggregate of the loans for all years from the Federal Capital Contribution Fund and/or the Federal Capital Loan Fund may not exceed $6,000 for any student.

A student who applies for a loan after the first quarter, semester, or term is not prohibited from receiving up to the maximum loan, provided the amount of the loan does not exceed the amount she needs to be able to pursue the course of study for the remainder of the academic year.

12–060 – Application for a student loan

Each school may devise and use such student application forms as it chooses. Required data for audit purposes, however, must include evidence of the recipient's eligibility for the loan, the amount, date and any special terms. Student applications are not submitted to the Bureau of Health Manpower Education but are to be retained by the school. (See Chapter VII, 19–020, Disposition.)

12–070 – Records of approval or disapproval

The records of the school shall indicate the basis for approval or disapproval of all or any part of each student application for a loan.

12–080 – Student promissory note

Each loan to a student must be evidenced by a note executed by the student borrower which sets forth the legal conditions under which the loan is made. The sums advanced on the note may be drawn from the Federal Capital Contribution Fund and/or the Federal Capital Loan Fund. The note is the legal document which binds the student to her repayment obligations. Since it represents a major asset of the school's loan fund or funds, the note must be properly executed and adequately safeguarded. The particular method of insuring such protection is the school's responsibility.

The Student Promissory Note form (NIH–1614–2, Exhibit C–8) embodies all the pertinent requirements set forth in the Act. It is a common form that may be used for the Nursing Student Loan Program as well as for the Health Professions Student Loan Program. Any proposed substantive deviation from such form must be submitted to the Bureau of Health Manpower Education for review and approval before it may be used by the school.

A. Execution of the note – The promissory note is executed by the student borrower at the time the loan is approved. It is not necessary that a separate promissory note be executed each time a loan is approved for the same student since the Schedule of Advances, which is a part of the note, requires an endorsement by the student each time an advance is made.

For loans made after June 30, 1969, to students who had previously borrowed at a different rate, a new note must be executed to comply with the Act which makes a uniform interest rate of three percent per year (with a nine-month grace period) applicable for all loans made after that date. Thereafter, subsequent loans approved for the same student borrower are to be endorsed in the Schedule of Advances, which is a part of the note, for such amounts as may be advanced to the student from time to time.

B. Interest rate – Loans shall bear interest on the unpaid balance, computed only for periods for which the loan is repayable.

Since the beginning of the Nursing Student Loan Program, the rates on student loans have been as follows: fiscal years 1965 and 1966, 4¼ percent; fiscal year 1967, 4 5/8 percent; fiscal year 1968, 4¾ percent; fiscal year 1969 5 3/8 percent. Prior to July 1, 1969, all loans made to the same borrower were at the rate of the borrower's initial loan. Beginning July 1, 1969, however, a uniform interest rate of three percent applies to all new student loans made, regardless of whether the borrower holds a note made in a previous fiscal year.

C. Security and endorsement – The Act states that a loan shall be made without security or endorsement, except that if the borrower is a minor and the note or other evidence of obligation executed would not, under the applicable State law, create a binding obligation, either security or endorsement may be required. The Act recognizes that State laws differ as to what constitutes a binding obligation for a minor. As a result, in States in which the signature of a minor would not of itself create a legally enforceable obligation on the note, it is suggested that a school require either security or endorsement in addition to the minor's signature. Provision for this is made on the form.

D. **Combining amounts advanced for repayment purposes** – When more than one loan is made to the borrower from a Nursing Student Loan Fund or Funds, for repayment purposes the sum of the amounts advanced shall be combined into and regarded as the total loan made, representing the borrower's total indebtedness to the Fund(s).

Separate repayment schedules will be necessary, however, for a student who received a loan prior to July 1, 1969, at the established rate of interest at the time the initial loan was made and who executes a note at the uniform interest rate of three percent per year applicable after June 30, 1969: one for the rate applicable prior to July 1, 1969, with a one-year grace period, and the other at the three percent rate applicable after June 30, 1969, with a nine-month grace period (Exhibit D).

An exception to combining the sum of the amounts advanced into one total loan made to the borrower occurs when the student interrupts her education for a period longer than the grace period and re-enters the same or another school and receives additional Nursing Student Loans, or receives loans from two or more schools.

12–090 – Disclosure requirements - Truth in Lending Act

The Truth in Lending provisions of the Consumer Credit Protection Act make it incumbent upon lenders to make specific statements of disclosure regarding the finance charges on Nursing Student Loans. Effective July 1, 1969, such disclosure must be made (and signed by the borrower) each time a loan commitment is made and at the time a repayment schedule is executed.

A format for such disclosure which could be used to satisfy the requirement of the Act must include:

(1) *At the time loan commitment is made –*

(a) The amount of the loan;

(b) A statement of the anticipated date on which the finance charge begins to accrue (i.e., in general terms defined by termination of grace and deferment periods);

(c) The annual percentage rate – (1) prior to the beginning of the repayment period, 0%; (2) during the repayment period, 3%;

(d) The amount financed through this transaction;

(e) A statement of applicable delinquency and default charges;

(f) A statement of provisions for acceleration of payment;

(g) The signatures of the lender's representative and the borrower.

(2) *At the time repayment schedule is executed –*

(a) A statement of the date on which the finance charge begins to accrue;

(b) the unpaid principal balance(s), and the amount financed;

(c) Finance charge (total interest due during the repayment period);

(d) Number and amount of payments;

(e) Total of payments;

(f) Due date and frequency of payment;

(g) Annual percentage rate;

(h) A statement of applicable delinquency and default charges;

(i) A statement of provisions for acceleration of payment;

(j) The signatures of the lender's representative and the borrower.

Additional information on the Truth in Lending Act, which the school will find helpful in preparing the necessary disclosure documents, is available from the Federal Reserve Board, Washington, D.C. 20551. Schools are urged to consult with institutional legal counsel to determine the actual format and wording appropriate to the school's particular situation. The Department of Health, Education, and Welare can only provide general guidance relative to the Truth in Lending Act requirements as responsibility for compliance with the law rests with the lending institution.

12–100 – Exit interview

The school should arrange an exit interview between the Program Representative or Coordinator of Student Financial Aid and the borrower shortly before she leaves the school, at which time determination of an appropriate repayment plan should be made if this has not already been done. Such an interview is needed regardless of whether the borrower is leaving the school because of completion of the course of study or is withdrawing for other reasons. At this time, the borrower will know the full amount of her indebtedness and presumably will have information as to her future plans on which to estimate her repayment capacity. Because of change of circumstances, she may wish to reconsider the repayment plan which she may have chosen when the loan was originally approved.

The borrower must be given the option to choose between at least one equal and one graduated periodic plan, and should be given a choice of all available schedules offered under each plan (e.g., monthly, quarterly, semi-annual, annual).

When a student borrower withdraws from school for a reason other than graduation it would be helpful to the school in its planning if the borrower is able to indicate (1) whether she intends to resume a full-time course of study in the same or another nursing school within the grace period or (2) whether her plans are such that it is probable that she will later request deferment of repayment because of active duty as a member of a uniformed service or as a volunteer in the Peace Corps.

The borrower's permanent mailing address should be confirmed and she should be reminded of her agreement on the promissory note to inform the school of any subsequent change of address.

At this time, the borrower should be furnished with a copy of *A Guide for repayment, deferment, and cancellation of Nursing Student Loans* (published December 1969), copies of which have been furnished to all participating schools. This pamphlet is designed to provide the borrower with a convenient reference on her rights and obligations and other essential information for the orderly retirement of her loan. (See Chapter VIII, Collection Procedures - 23–000 for further discussion of the exit interview.)

13–000 – LOAN REPAYMENT

By signing a promissory note, a student agrees to repay her loan in accordance with the terms of the note, the Act, and Federal regulations and policies governing the Nursing Student Loan Program.

A. **Repayment period** – Repayment of the principal of the total loan, together with accrued interest thereon, shall be made over a 10-year repayment period which begins immediately after the grace period expires, except that the school may provide that payments of principal and interest by the borrower shall be at a rate equal to not less than $15 per month.

B. **Equal or graduated installments** – Repayment of principal, together with accrued interest thereon, shall be made in equal or graduated periodic installments in accordance with the terms of the schedule approved by the school and the Secretary, and agreed to by the borrower at the time of her exit interview.

Installments shall in no case be paid less frequently than annually and shall begin not later than the end of the first year of the repayment period.

C. **Accelerated payments** – The borrower may, at her option and without penalty, prepay all or any part of the principal and accrued interest at any time.

D. **Penalty charges** – A school may provide for a late penalty charge for failure of the borrower to pay all or any part of an installment when it is due, or for failure to file timely and satisfactory evidence of entitlement to deferment or cancellation of part or all of loan at the rate of $1 for the first month or part thereof and $2 for each subsequent month or part thereof.

E. **Loans from both Federal Capital Contribution and Federal Capital Loan Funds** – Monies received in repayment of a loan made to the same student from both a Federal Capital Contribution Fund and a Federal Capital Loan Fund must be prorated according to the loan total from each fund in crediting the student's account because repayments to the Federal Capital Contribution Fund may be reloaned to students, but repayments to the Federal Capital Loan Fund must be remitted to the Bureau of Health Manpower Education.

F. **Change of address** – The borrower undertakes to inform the school to which she is indebted under the note of any change in her address after she ceases to be a full-time student at the school.

13–010 – Grace period

Repayment of principal is not required and interest does not accrue during the grace period, which is one year on loans made prior to July 1, 1969, and nine months on loans made after June 30, 1969. The grace period begins on the first day of the month nearest to the date the student ceases to be a full-time student pursuing an eligible course of study at a school of nursing.

A. **Expiration date of the grace period** – The period of grace must consist of 12 consecutive months (for loans made prior to July 1, 1969) or 9 consecutive months (for loans made after June 30, 1969) from the time that a borrower ceases to pursue a full-time course of study at a school of nursing. The criterion regarding the expiration date of the grace period is the determination by the school that the borrower has been away from full-time student status for such continuous 12- or 9-month period, respectively, regardless of whether or not she has, immediately upon graduation, entered full-time employment as a professional nurse subject to cancellation benefits.

B. **Grace period for additional loans** – A borrower who has been accorded the maximum grace period on one loan and who later resumes a full-time course of study at the same or another school and receives an additional loan is not entitled to an additional grace period for the original loan.

13–020 – Deferment

Interest shall not accrue on loans and installments need not be paid when a borrower:

(1) Ceases to pursue a full-time course of study at a school of nursing leading to a diploma or associate degree in nursing, a baccalaureate degree in nursing or an equivalent degree, or to a graduate degree in nursing, but re-enters the same or another such school within the one-year grace period (for loans made prior to July 1, 1969) or the nine-month grace period

The claimant is required to consent in writing for the release of pertinent information on the disability from any physician, hospital, or institution having such medical records, to the school and to the Bureau of Health Manpower Education as may be needed to determine eligibility for the cancellation of the loan.

The school should then forward to each physician a copy of the claimant's signed consent for release of information, requesting a medical report, and explaining the general provisions of the program pertaining to cancellation of a loan on the ground of the borrower's permanent and total disability. The report should be sufficiently detailed to provide for comprehensive review to determine the nature, duration, and extent of impairment.

The school should then forward its recommendation, accompanied by medical certification, to the Bureau of Health Manpower Education for review and final determination by the Secretary. The school will be formally notified of the Secretary's decision. Such notification should be retained as a permanent record in the student's school file for audit and other review purposes.

(3) *Full-time employment as a professional nurse* – A borrower is entitled to have a portion of her loan canceled for each year of full-time employment as a professional nurse. Such professional employment during the grace period entitles the borrower to cancellation, but does not extend the length of the grace period.

(a) *Eligibility for loan cancellation* – To be eligible for loan cancellation, a borrower must be employed as a professional nurse for a complete year, which is generally defined as 12 consecutive months. For those persons holding positions in teaching or in school systems, however, a complete year may be construed to mean the complete academic year of the school in which employed and for cancellation purposes, must coincide with the regular school year.

(b) *50% loan cancellation* – A borrower employed full-time as a professional nurse (including teaching in any of the fields of nurse training and service as an administrator, supervisor, or consultant in any of the fields of nursing) in any public or nonprofit private institution or agency, is entitled to cancellation of up to 50 percent of the total amount of her loan, plus accrued interest thereon, at the rate of 10 percent of the total amount of such loan, plus accrued interest, that is unpaid on the first day of such employment for each complete year engaged in such employment.

(c) *100% loan cancellation* – A borrower employed full-time as a professional nurse in a public or other nonprofit hospital in any area determined by the Secretary to have a substantial shortage of such nurses at such hospitals, is entitled to cancellation of up to 100 percent of the total amount of her loan, plus accrued interest thereon, at the rate of 15 percent of the total amount of such loan, plus accrued interest, that is unpaid on the first day of such employment for each complete year engaged in such employment, beginning on or after September 1, 1968. (See Administration of the Cancellation Provisions – 14–000, Item 2, Employment in a shortage area hospital, of this Chapter.)

(for loans made after June 30, 1969). A student who re-enters the same or another nursing school after the grace period has expired must meet the scheduled repayments when due, unless she is qualified for deferment in accordance with Item 3 below.

(2) Performs active duty, whether or not as a professional nurse, as a member of a uniformed service (Army, Navy, Marine Corps, Air Force, Coast Guard, Coast and Geodetic Survey, Public Health Service), or as a volunteer under the Peace Corps Act (up to three years). Such service performed concurrently with the grace period does not extend the length of the grace period. If the grace period has elapsed at the end of a borrower's service the first installment payment on the loan would be due at the next scheduled repayment date.

(3) Pursues a full-time course of study at a collegiate school of nursing leading to a baccalaureate degree in nursing or an equivalent degree, or to a graduate degree in nursing, or, for loans made after June 30, 1969, is otherwise pursuing advanced professional training in nursing (up to five years).

A school may also permit deferment of repayment of loans made prior to July 1, 1969, for those borrowers who enter into advanced professional training performed after June 30, 1969, when requested by the student. The policy of the school in granting such deferments should be applied consistently for all borrowers. For deferment purposes, the total of the periods for advanced professional training and the grace period may not exceed five years and nine months regardless of when the loan was made.

To claim deferment of repayment of loan, a borrower must file a *Certification of Student Status* form (NIH–1614–5, Exhibit C–9) with the school from which she received assistance. Three copies of the form should be executed; the original and one copy to be returned to the school from which the loan was made, the third copy to be retained by the borrower. The borrower completes the applicable portion and signs the form. The authorized official at the school which she is then attending, or the commanding officer or Peace Corps official must attest to the validity of her statment before the form is forwarded to the lending school for approval or disapproval. It is the responsibility of the borrower seeking deferment of repayment of a loan to assure that the properly executed form is forwarded to the school from which the loan was made (a) when the first repayment installment is due; (b) annually thereafter as long as status is claimed; and (c) upon termination of such status.

13–030 – Cancellation

Principal and interest installments may be canceled under the following circumstances:

(1) *Death* – Upon the death of a borrower, the unpaid balance of her loan and accrued interest thereon shall be canceled.

To claim cancellation, the executor of the borrower's estate must submit a death certificate or such other official proof as is conclusive under State law to the school. The school retains such proof for audit purposes and is reimbursed by the Bureau of Health Manpower Education for its portion of the loan which is canceled as described under Federal Capital Contribution Fund, H. Cancellations –11–050 and Federal Capital Loan Fund, H. Cancellations –11–060, of this Chapter.

(2) *Permanent and total disability* – A borrower is entitled to cancellation of her indebtedness in the event of her permanent and total disability. Permanent and total disability is defined as being unable to engage in any substantial gainful activity because of medically determinable impairment, which impairment is expected to continue for a long and indefinite period of time or to result in death. Such determination shall be made by the Secretary on the recommendation of the school, supported by such medical certification as may be required, relating to the borrower's disability.

To claim cancellation for disability, a borrower should submit a formal request to the school from which she received her loan, indicatingding(a) date entered, date graduated, or date studies terminated; (b) total amount of loans obtained; (c) amount of unpaid balance; (d) nature, and date of onset of the disability; (e) employment prior to disability; and (f) medical examination and/or treatment.

14–000 – ADMINISTRATION OF THE CANCELLATION PROVISIONS

In administering the forgiveness benefit provisions, the school utilizes the information from the properly executed *Request for Partial Cancellation of Loan* form, (NIH–1614–16, Exhibit C–15), filed by the borrower upon completion of a full year of employment as a professional nurse.

Determination of (1) eligibility for cancellation, (2) applicable rate of cancellation and (3) amount of loan to be canceled is made by the school from which the student received her loan.

1. **Public or nonprofit private institution or agency** – To qualify for partial cancellation, the borrower must be employed in an institution or agency which is under public supervision and control, or is a nonprofit private institution or agency. For this purpose, the nonprofit private institution or agency means one which is a corporation or association, or is owned and operated by one or more corporations or associations, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

2. **Employment in a shortage area hospital** – *The Handbook for Loan Cancellation Benefit* (published October 1969) lists hospitals in the United States, Puerto Rico, Guam, the Canal Zone, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands that have been determined by the Secretary to be in an area which has a substantial shortage of professional nurses at such hospitals.

This list of hospitals in which a borrower's service may qualify for the 15 percent cancellation rate was based upon the 1968 Survey of Nursing Personnel in Hospitals, conducted jointly by the American Hospital Association and the Division of Nursing, Bureau of Health Manpower Education. The criterion was the number of registered nurse hours per day in general, psychiatric, tuberculosis, chronic and convalescent, and other types of hospitals. The list includes only hospitals of a particular type as ranked with the national median for that type of hospital.

Hospitals in the United States, Puerto Rico, Guam, the Canal Zone, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands that did not participate in the 1968 Survey of Nursing Personnel in Hospitals but wish to be evaluated in terms of loan cancellation benefit should write to the Division of Nursing, Bureau of Health Manpower Education.

3. **Agency operated for profit does not qualify** – Employment as a professional nurse in any hospital, group practice, private office, or industry that is operated for profit does not entitle the borrower to partial cancellation of her loan.

4. **Agencies or institutions operated by Federal, state, or city governments** – Borrowers who are subsequently employed as professional nurses by any agency or institution that is operated by Federal, state, county, or city governments are entitled to apply for partial cancellation of their loans. This would include service *as a professional nurse* while a member of the uniformed service, the Peace Corps, or Vista.

5. **Nurse anesthetist does not qualify**– Employment as a nurse anesthetist does not qualify for loan cancellation benefits as such employment is considered to be under a different professional classification.

6. **Leave during employment** – Leave, such as vacation or sick benefit coverage, which would normally be earned for one year's employment, does not constitute a break in employment, nor does a reasonable period of time to change from one place of employment to another. Such a break in employment cannot exceed the vacation allowance which the person would have earned had she remained in the same employment. Certification on the *Request for Partial Cancellation of Loan* form (NIH–1614–16, Exhibit C–15) is required of each employer with which a borrower has been employed during a year of professional service eligible for cancellation.

A borrower who is on a maternity leave of absence, as opposed to leave earned during her year of employment, cannot be considered to have worked a complete year and would thus not be entitled to cancellation for that particular year.

15–000 – LOAN CANCELLATION PROCEDURE

When a borrower has completed service as a professional nurse (including teaching in any of the fields of nurse training and service as an administrator, supervisor, or consultant in any of the fields of nursing) and has forwarded the properly executed *Request for Partial Cancellation of Loan* form, (NIH–1614–16, Exhibit C–15), to the school from which the loan was made, the school will determine the amount to be canceled. The school credits that amount to the borrower's account and returns the completed copy of the form to the borrower for her records.

The school retains one copy of the form to support accounting entries made at the time the cancellation is effected. This process is repeated on completion of each year of eligible professional service as a full-time nurse for which the borrower requests cancellation.

When the amount canceled is less than the required annual payment, the borrower must submit a check or money order to the school at the time she submits the *Request for Partial Cancellation of Loan* form to the school.

15–010 – Amount to be canceled

When it has been established that a borrower is eligible for cancellation of her loan for full-time employment as a professional nurse, the school will determine the amount to be canceled by establishing the base amount of the loan. It is the base amount to which the 10 percent or 15 percent cancellation rate is applied.

A. **Principal** – The base amount of a loan is the amount of principal actually owed by the borrower on the first day of employment as a full-time professional nurse for which she would be entitled to claim cancellation, or the amount she would owe at that time had all repayments due under the terms of her note been made, whichever is the lesser.

Example: Total amount of borrower's nursing loan is $1,000; borrower repays $100 before beginning employment as a professional nurse for which she would be entitled to claim cancellation at the rate of 10 percent per year for each complete year of such employment; the base amount of the loan is $900. Up to 50 percent of the total loan may be canceled ($500) at the rate of 10 percent of the base amount for each complete year of employment ($90 per year). Had the borrower not repaid $100 before beginning employment, she would have had the advantage of cancellation on a base amount of $1,000, which could have been accomplished within five years. In the example cited, in five years the borrower will have canceled only $450 and will have to work another year to cancel the remaining $50.

The base amount remains fixed for the duration of the repayment period, even if the borrower leaves nursing service and at some later date resumes employment as a professional nurse. The first day of employment is the first day of the first complete year of employment which qualifies for cancellation. Therefore, the base amount for a borrower who begins employment as a professional nurse before an installment payment is due is the amount actually owed on the first day of such employment.

B. **Interest** – The borrower who is entitled to cancellation at the rate of 10 percent or 15 percent of the base amount is also entitled to cancellation of all interest which has accrued on the unpaid balance of the loan during the preceding 12 months of employment as a professional nurse.

15–020 – Maximum amount allowable for cancellation

A. **50% loan cancellation** – A borrower is entitled to a maximum cancellation of 50 percent of the total amount of her loan for eligible employment as a professional nurse. Since the yearly cancellation rate is 10 percent of the amount of the loan remaining unpaid on the date such service begins, the allowable cancellation of 50 percent of the total loan could be accomplished in five years.

B. **100% loan cancellation** – A borrower working full time as a professional nurse in a hospital in any area determined to have a substantial shortage of nurses at such hsopitals is entitled to a maximum cancellation of 100 percent of the total amount of her loan at the annual rate of 15 percent of the loan remaining unpaid on the date such service begins. The shortest time in which this could be effected is seven years.

The 15 percent cancellation provision is retroactive for each year of employment beginning on or after September 1, 1968, even though a borrower may have been employed full time as a professional nurse in the same hospital prior to September 1, 1968. Once a professional nurse is employed in a shortage hospital, her eligibility to claim entitlement to the 15 percent cancellation provision continues so long as such employment is uninterrupted, even if the hospital is not designated in a subsequent list.

Borrowers who previously claimed entitlement at the 10 percent rate at a hospital now listed in the *Handbook for Loan Cancellation Benefit* are entitled to an additional five percent cancellation of principal and interest prorated for those months after September 1, 1968, that were part of a complete year of service. In such cases, the borrower's repayment date should be converted to September 1.

C. **Employment prior to and after September 1, 1968, in a shortage hospital** – In those instances where a borrower claimed entitlement at the 10 percent rate for employment prior to September 1, 1968, in a hospital which was designated a shortage hospital effective September 1, 1968, the borrower is entitled to an additional five percent cancellation for those months after September 1, 1968 that were a part of the complete year of eligible service. To implement the 15 percent cancellation provision, the borrower's anniversary repayment date should be converted to September 1.

Example: A borrower graduated in June 1968 and started full-time employment as a professional nurse on July 1, 1968, in a hospital which was later determined to have a shortage of such nurses.

July 1, 1968 – begins employment eligible for 10% cancellation benefit

June 30, 1969 – entitled to 10% cancellation for one complete year of service

September 1, 1968 – eligible for 15% cancellation benefit

August 31, 1969 – entitled to 15% cancellation for one complete year of service.

On June 30, 1969, the borrower is entitled to 10 percent cancellation for one complete year of service. On August 31, 1969, the borrower is entitled to 15 percent cancellation for the 12-month period September 1, 1968–August 31, 1969. The total 15 percent cancellation is computed on the basis of 15 percent for the two months (July and August 1969), plus an additional five percent prorated for the 10 months (September 1968–June 1969), which provides the total 15 percent cancellation for the complete year of service ending August 31, 1969. Thereafter, September 1 is the anniversary repayment date. (See Exhibit D–6.)

D. **Criterion for determining rate of entitlement when two different types of employment are involved** – Because a complete year of employment is the basis for cancellation at either the 10 percent or the 15 percent rate the length of uninterrupted employment in a shortage hospital is the criterion the schools must use in determining which rate a borrower is entitled to when two different types of employment are involved. Given below are two examples to illustrate this point.

1. *Transfer from employment in a shortage hospital to full-time employment under the 10 percent provision* – A graduate nurse has completed nine months at a shortage-area hospital and, upon termination, assumes a position as a nursing instructor, making her eligible at the end of an additional three months to apply for the cancellation benefit. Because she has not completed twelve months as a full-time professional nurse in a shortage area hospital (which would entitle her to the 15 percent provision), but has completed a full year of a combination of full-time professional nurse and nursing instructor (which entitles her to the 10 percent provision), she may claim entitlement at the 10 percent rate.

2. *Transfer from full-time employment under 10 percent cancellation provision to shortage hospital employment* – A graduate nurse has completed seven months of full-time employment qualifying her for cancellation at the 10 percent rate, and then assumes a position as a full-time professional nurse at a shortage area hospital. She works only five months at the shortage area hospital. Because she has fulfilled the provision of qualifying as a full-time professional

nurse for a complete year, she is entitled to claim cancellation at the 10 percent rate. Should she continue her full-time employment as a professional nurse at the shortage area hospital for another seven months, she may claim entitlement to an additional five percent for the first five months at the shortage area hospital and 15 percent for the last seven months. At the same time, her anniversary repayment date should be converted to coincide with the month when she first began employment as a full-time professional nurse in the shortage area hospital.

15–030 – Effect of loan payments on cancellation

Payments which become due, or are made, prior to the beginning of full-time employment as a professional nurse result in a reduced base amount upon which the rate of cancellation is calculated. Consequently, a longer period of time is required to cancel up to 50 percent of the total amount of the loan (See Example cited in this Chapter under *Amount to be canceled*, Principal – 15–010.) In order to realize the maximum cancellation benefit, it is to the borrower's advantage to begin full-time employment as a professional nurse before any payment on her loan becomes due.

When the amount canceled for the year of nursing employment is not sufficient to cover the required annual installment of principal because of a reduced base amount, the borrower must make an annual payment in the amount of the difference between the scheduled installment and the amount canceled.

15–040 – Postponement of payment in anticipation of cancellation

A borrower working full time as a professional nurse may defer payment of a loan installment which becomes due before she is eligible for cancellation of the payment. To request such postponement she must file a completed *Request for Postponement of Installment Payment* form (NIH–1614–17, Exhibit C–16) with the lending school in lieu of payment in accordance with the repayment schedule agreed upon between the borrower and the school. Receipt of the document need not be confirmed by the school unless the request is denied. The document authorizes the school to postpone collection of the required installment until the end of the borrower's complete year of employment. If the borrower does not complete the full year of employment, installment repayment is immediately due to the lending school and the borrower resumes her repayment schedule.

15–050 – Loan cancellation in lieu of required installment

Amounts canceled for full-time employment as a professional nurse should be credited as repayments against installments due.

When a borrower works full-time as a professional nurse before the grace period has expired, there is no extension of the grace period.

15–060 – Reimbursement to school as result of cancellation

When all or any part of a loan, or the interest thereon, is canceled as a result of full-time employment as a professional nurse, the Federal government shall reimburse the school operating a loan fund under the Federal Capital Contribution plan in an amount equal to the school's proportionate share of the canceled principal and interest of the loan.

The government credits to the account of the school operating a loan fund under the Federal Capital Loan plan the full amount of principal canceled. (See Federal Capital Contribution Fund, 11–050, H. Cancellations, and Federal Capital Loan Fund, 11–060, H. Cancellations, of this Chapter.)

CHAPTER V: NURSING SCHOLARSHIP PROGRAM

16–000 – Institutional Participation

Any accredited public or nonprofit private school of nursing which provides a program of nursing education leading to a diploma in nursing, an associate degree in nursing, a baccalaureate degree in nursing or an equivalent degree, or a graduate degree in nursing, located in a State, the District of Columbia, Puerto Rico, Guam, the Canal Zone, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands is eligible to apply for participation in the Nursing Scholarship Program.

16–010 – Accreditation

To be accredited, a school of nursing must be accredited as a program of nurse education, or must be a department, division or other administrative unit in a junior college, community college, college or university which is accredited, or must be affiliated with a hospital or university which is accredited by a recognized body or bodies, or by a State agency, approved for such purpose by the Commissioner of Education. A program, or a hospital, school, college, or university which is not, at the time of application, eligible for accreditation by such a recognized body or bodies or State agency, shall be deemed accredited for purposes of the Nursing Scholarship Program if the Commissioner of Education finds after consultation with the appropriate body or bodies, that there is reasonable assurance that the program or the hospital, school, college, or university will meet the accreditation standards of such body or bodies prior to the beginning of the academic year following the normal graduation date of students who are in their first year of instruction at such school in the fiscal year in which the Secretary first awards a scholarship grant to the school.

The list of recognized accrediting bodies and of State agencies, includes organizations which have been determined by the Commissioner of Education to be reliable authority as to the quality of training offered by schools of nursing.

Included in the "list" for purposes of institutional and program accreditation are the associations and agencies listed below.

Regional Accrediting Associations:

Commission on Institutions of Higher Education, Middle States Association of Colleges and Secondary Schools

Commission on Institutions of Higher Education, New England Association of Colleges and Secondary Schools

Commission on Colleges and Universities, North Central Association of Colleges and Secondary Schools

Commission on Higher Schools, Northwest Association of Secondary and Higher Schools

Commission on Colleges and Universities, Southern Assocation of Colleges and Schools

Accrediting Commission for Senior Colleges and Universities, Accrediting Commission for Junior Colleges, Western Association of Schools and Colleges

National Specialized Accrediting Association:

Board of Review, National League for Nursing, Inc.

State Agencies:

California Board of Nursing Education and Nurse Registration

Board of Regents, University of the State of New York

Iowa Board of Nursing

Missouri State Board of Nursing

Montana State Board of Nursing

New Hampshire Board of Nursing Education and Nurse Registration

West Virginia State Board of Examiners for Registered Nurses

The associations or State agencies listed may be re-evaluated from time to time by the Commissioner. Other associations or State agencies desiring to be included may request inclusion by the Commissioner of Education in writing.

16–020 – General information

The procedures for (1) applying to participate, (2) notification of award, and (3) requesting an advance of funds, described in Chapter I are applicable to the Nursing Scholarship Program.

16–030 – Formula for allocating scholarship grants

A grant will be awarded annually to each eligible school applying for a scholarship grant. The amount awarded is based on the statutory formula of 10 percent of the number of full-time students enrolled in the school times $2,000. When the amount of funds available for any fiscal year is less than the total of the amounts so computed, the grant awarded to each participating school is reduced proportionately.

For purposes of computing the amount of the scholarship grant to be awarded to any school for any fiscal year, the number of full-time students of such school shall be the number which the Secretary, on the basis of data furnished by the school on its application, determines to be the number of such students to be enrolled in such school on October 15 of such year.

16–040 – Administration of the program

The Nursing Scholarship Program is administered in accordance with the Act, the Regulations, this Manual, and such instructions as may be issued from time to time by the Bureau of Health Manpower Education.

Each school is requested to name an individual as Program Representative, who will be responsible for providing program information as requested, and to identify the individual at the school who is responsible for coordinating all student financial aid programs (i.e., the Coordinator of Student Financial Aid).

Also to be identified is a Fiscal Officer who will be responsible for establishing a separate and distinct grant account as provided under the Act.

16–050 – Use of funds

A. **Scholarship awards** – Scholarship grant funds shall be obligated by the school solely for awarding scholarships to eligible students during the fiscal year specified in the grant award document, except for funds transferred as described below. Any funds not so transferred and not required to discharge such obligations, shall be returned to the Bureau of Health Manpower Education.

B. **Transfer of funds** – A school participating in both the Nursing Scholarship Program and the Nursing Student Loan Program, established by Federal Capital Contributions is authorized to transfer funds not to exceed 20 percent of the amount paid to a school, for any fiscal year, or such larger percentage thereof as the Secretary may approve.

1. *From Nursing Scholarship grant account to Federal Capital Contribution Student Loan Fund* – A transfer of funds from a school's Nursing Scholarship grant account to its Federal Capital Contribution Student Loan Fund, not to exceed 20 percent of the total amount of Federal Scholarship funds paid to the school in any fiscal year, may be made at the option of the school and used for loans to eligible students.

It is expected that such a transfer would not be effected if eligible students would be denied scholarship support since the purpose of the Nursing Scholarship grant is to assist students of exceptional financial need.

Nursing Scholarship funds cannot be transferred to a Nursing Student Loan Fund established by a Federal Capital Loan.

2. *To Nursing Scholarship grant account from Federal Capital Contribution Student Loan Fund* – A transfer of funds to a school's Nursing Scholarship grant account from its Federal Capital Contribution Student Loan Fund, not to exceed 20 percent of the total amount of Federal Capital Contributions paid to the school in any fiscal year, may be made at the option of the school and used for scholarships when more funds are required to assist students of exceptional financial need than can be provided from funds authorized for Nursing Scholarships in a particular fiscal year.

3. *In excess of 20 percent* – A transfer of Federal Capital Contributions or scholarship grant funds in excess of 20 percent of the respective amount paid to a school in a particular fiscal year may be made when the school demonstrates a need to transfer a larger sum than authorized under either 1. or 2. above. The Secretary may approve a request for a transfer of funds in excess of 20 percent only when the school furnishes justification that exceptional circumstances exist warranting such transfer.

A school making such request shall describe the exceptional circumstances involved and the effect such transfer would have on the school's future requirements for scholarship and loan support. The Secretary will give special consideration to the socio-economic setting of the families of the students who would benefit by such transfer.

4. *Matching funds* – A school transferring funds from its Nursing Scholarship grant account to its Nursing Student Loan Fund established by Federal Capital Contributions is required to deposit to the Federal Capital Contribution Fund, from its own resources, a sum equal to at least one-ninth of the amount so transferred. On the other hand, a school transferring funds to its Nursing Scholarship account from its Nursing Student Loan Fund established by Federal Capital Contributions may withdraw from its Federal Capital Contribution Fund its proportionate contribution.

Sums transferred must be reported at the close of the fiscal period in which the transfers were made. (See Chapter VII, Reports –21–000.)

16–060 – Unused funds

Scholarship grant funds not obligated for scholarships awarded in the fiscal year specified in the grant award document must be returned to the Bureau of Health Manpower Education at the end of that fiscal year. *Such funds cannot be carried forward for expenditure in subsequent fiscal years.*

16–070 – Annual operating report

An *Annual Operating Report* (form NIH–1614–13, Exhibit C–5) must be completed for each program of nursing education at the end of each fiscal year in accordance with the instructions on the form. (Reports are discussed in Chapter VII, 21–000.)

17–000 – NURSING SCHOLARSHIP AWARDS

A student must be of exceptional financial need to be eligible for a scholarship award. All determinations of need shall be made by the school in accordance with this Manual and the policies and procedures established by the school.

17–010 – Nondiscrimination

No eligible applicant shall be denied a scholarship award on account of sex, race, creed, color or national origin.

17–020 – Student eligibility

Scholarships may be awarded only to students who meet the following requirements:

(1) *Citizenship* – A student applicant must be a citizen or other national of the United States, or must have such immigration status and personal plans as to justify the conclusion that she is in the United States for other than a temporary purpose and intends to become a permanent resident of the United States. A student who is in this country on a visitor's visa is not eligible.

In addition, permanent residents of the Trust Territory of the Pacific Islands are eligible to receive assistance while attending participating schools.

(2) *Academic status* – An applicant must be enrolled and in good standing, or accepted for enrollment, as a *full-time* student in a school participating in the Nursing Scholarship Program. (See Definition 16, 01–060, Chapter I of this Manual.)

(3) *Exceptional financial need* – To receive scholarship assistance, an applicant must be of exceptional financial need and require such assistance to pursue the full-time course of study at the school in the particular year.

17–030 – Determination of need

It is the responsibility of the school to select qualified applicants and to make reasonable determinations of need in accordance with this Manual and the policies and procedures established by the school. In determining whether a student is of exceptional financial need and requires such financial assistance to pursue the full-time course of study, the school shall take into consideration:

(1) The financial resources available to the student; and

(2) The costs reasonably necessary for the student's attendance at the school, including any special needs and obligations which directly affect the student's ability to attend the school on a full-time basis.

Financial resources which should be assessed include support available to the student from (a) her parents, (b) her own and her spouse's earnings and savings, and (c) other sources such as prizes, other scholarships, and repayable loans. In assessing the expenses a student will incur, the school should include costs reasonably necessary for tuition, fees, books, equipment, and living and other expenses.

Although scholarships may be awarded to any student who has exceptional need for financial assistance, the school may give priority to students whose backgrounds are characterized by educational, cultural, or economic deprivation.

In arriving at such determination, the school is expected to make responsible judgments concerning the magnitude of need of all students who apply for financial assistance.

Schools are expected to continue financial assistance to needy students through the completion of their program, dependent upon the availability of funds.

17–040 – Maximum amount of scholarship

The school determines annually the amount of the scholarship required to meet the student's need. The scholarship may cover such portion of the cost of the student's tuition, fees, books, equipment, and living expenses as the school finds necessary, but it may not exceed $1,500 for any 12-month period. A school may indicate to a scholarship recipient that scholarship support will be continued for the period required to complete the course of study leading to the diploma or degree, subject to satisfactory academic performance, availability of scholarship grant funds, and continuation of the recipient's financial need for scholarship assistance.

17–050 – Application for a scholarship award

Each school may devise and use such student application forms as it chooses. Required data for audit purposes, however, must include evidence of the recipient's eligibility for the award, the amount, and the date of the award. Student applications should not be submitted to the Bureau of Health Manpower Education but should be retained by the school. (See Chapter VII, Disposition –19–020.)

17–060 – Records of approval or disapproval

The records of the school shall indicate the basis for approval or disapproval of all or any part of each student application for a scholarship award.

17–070 – Termination of scholarship award

It is the responsibility of the school to terminate a scholarship if the student withdraws or is dismissed from the school prior to the scheduled scholarship termination date. It is also the school's responsibility to terminate a scholarship if the student ceases to be a full-time student in good standing, or if the school determines that the student misrepresented her financial need.

CHAPTER VI: REPAYMENT PLANS

18–000 – REPAYMENT PLANS

Two types of officially approved repayment plans may be used by the schools: (1) the standard repayment plans formulated by the Secretary, and (2) approved institutional repayment plans formulated by the institution and approved by the Secretary.

To be approved, an institutional plan must require that payments on principal and interest be made at least as often as once a year and cannot allow the repayment period to exceed 10 years.

The school must make available to its borrowers at least one equal periodic repayment plan and at least one graduated periodic repayment plan. The borrower should be given the choice of annual, semiannual, quarterly, or monthly repayment schedules under each plan offered.

A school may provide that during the repayment period of any loan made after June 30, 1969, payments of principal and interest by the borrower shall be at a rate equal to not less than $15 per month.

18–010 – Standard repayment plans

In keeping with the requirements of the Act which specify that loans shall be repayable in equal or graduated periodic installments, five standard repayment plans, based on the repayment of $1,000 over a 10-year period, and one plan for the repayment of a $1,000 loan at a rate equal to $15 per month, have been formulated by the Secretary to assist participating schools in preparing repayment schedules for individual student borrowers.

Plans I, II, and VI fulfill the statutory requirement of equal periodic payments. Plans I and VI are devised to repay the principal plus interest by making equal periodic payments; Plan II requires an equal periodic payment of principal plus payment of interest which has accrued on the unpaid balance of the principal. As a result, while the amount of each payment remains constant under Plans I and VI, each payment becomes progressively smaller under Plan II.

Plans III, IV, and V provide for graduated periodic payments. In these three plans the payments of principal in the early years of repayment are for smaller amounts than in the plans calling for equal periodic payments.

Repayment schedules, incorporating Plans I, II, III, IV, and V based on the repayment of $1,000 over a 10-year period, and Plan VI based on repayment of $1,000 at a rate equal to $15 per month, are included in this Manual for all years that the programs have been in operation:

Exhibit D–1, 4¼ percent rate in effect for fiscal years 1965 and 1966;

Exhibit D–2, 4 5/8 percent rate in effect for fiscal year 1967;

Exhibit D–3, 4¾ percent rate in effect for fiscal year 1968;

Exhibit D–4, 5 3/8 percent rate in effect for fiscal year 1969;

Exhibit D–5, 3 percent uniform interest rate on all loans made after June 30, 1969.

18–020 – Selection of plan

Responsibility for determining the specific repayment plan to be followed must be shared by the borrower and the school. *However, it is one of the most important program obligations of a school to assure that no borrower is permitted to leave school without having made a definite arrangement for repayment of his loan.*

The determination of an appropriate repayment plan can be made most satisfactorily just prior to the borrower's separation from the school, but to encourage the borrower to look ahead, the school may find it useful to have the borrower tentatively select a repayment plan at the time the loan is approved. The repayment schedule indicates the date each payment is due; the amount of each payment; the amount credited to principal and interest from each payment; and allows the borrower to determine for tax purposes the total amount of interest paid each year.

Should the borrower select an approved institutional plan requiring payment in less than ten years, he cannot be considered legally in default until he has failed to repay by the end of a repayment period the full amount which normally would be required on the standard repayment plan used as a basis for the approved institutional plan. In the event he becomes delinquent in making his scheduled repayments, he should be transferred to the comparable standard repayment plan. The transfer of his account should be accomplished prior to the next anniversary date, and a copy of the newly established schedule of periodic payments should be sent to him.

18–030 – Establishing fixed payment dates

Because the grace period will begin on the first day of the month nearest to the day upon which the borrower ceases to be a full-time student (See Chapter I, Definition 16, 01–060), repayment anniversary dates fall on the first day of a month.

Upon completion of the grace period and any immediately subsequent period of eligible deferment to which the borrower is entitled, the 10-year repayment period begins and interest on the loan commences to accrue at the applicable rate. For loans made prior to July 1, 1969, the grace period is 3 years for Health Professions Student Loans and one year for Nursing Student Loans. For loans made after June 30, 1969, the grace period is one year for Health Professions Student Loans and nine months for Nursing Student Loans. When the grace period has expired on a loan, interest is charged on the unpaid balance for any portion of the repayment period for which the borrower is not entitled to deferment (See Chapter II, Deferment, 06–020, and Chapter IV, Deferment –13–020.

For the purpose of determining what fraction of a repayment period is covered by deferment, the amount of time spent in deferment status should be rounded to the nearest month, e.g., deferment status from June 18 to December 15 (five months and 27 days) would be considered a six-month deferment.

(1) *Payments altered due to deferment for fraction of period* – The payment date, once established, remains fixed and the borrower who has filed a *Certification of Student Status* form, (NIH–1614–5, Exhibit C–9), claiming deferment for a fraction of the period, is obliged to make payments of interest and principal for the fraction of any repayment period which is not covered by the deferment.

(2) *Payments altered due to deferred status on due date of scheduled payment* – The borrower who is in a deferred status on the due date of a scheduled payment (for which a *Certification of Student Status* form has been filed) need not pay *at that time* the interest and principal payment for any fraction of that repayment year for which there was no deferment. The interest due is carried over and paid on the next due date as a part of the total of all interest accrued by that date. The principal payment due for the fraction of the year which is not covered by deferment is added as part of the total payment of principal at the next payment date, and the period for total repayment is extended by the amount of lapsed time for which there was a deferment.

18–040 – Accelerated repayments

The borrower has the right to accelerate repayment of his loan by repaying more in a year than would be required on a 10-year repayment schedule. The purpose of acceleration is to shorten the period of repayment and save interest. Accelerated repayments are those made in addition to the regularly scheduled payments. for the purpose of lessening the length of the agreed upon repayment period. When the borrower indicates that a payment is being submitted as an accelerated one, the interest to the date of accelerated payment on the previously unpaid balance should be computed and deducted before the remainder of the payment is applied as a reduction of the principal amount of the loan.

Total payment amounts at the scheduled dates subsequent to the accelerated payment will continue to follow the selected repayment plan, but the amount of the total payment to be credited to interest will be computed at each scheduled date and deducted before the remainder of the payment is applied as a reduction of the principal.

CHAPTER VII: ACCOUNTING RECORDS, REPORTS, AND AUDIT

19–000 – ACCOUNTING RECORDS

Accounting for grant and loan funds will be in accordance with institution accounting practices based on generally accepted accounting principles consistently applied. Monies paid to the institution in the form of scholarship grants, Federal Capital Contributions, and/or Federal Capital Loans shall be deposited and maintained in separate and distinct accounts. Any generally accepted accounting method is satisfactory if it provides the information necessary for completion of the *Annual Operating Report* (See Exhibit C–5); provides for such fiscal control as is necessary for prudent management and proper disbursement of Federal funds and is auditable.

19–010 – Maintenance

Separate and distinct accounts are essential to protect the integrity of a Federal Capital Contribution Fund or a Federal Capital Loan Fund and all transactions in the accounting records and the supporting documents must be maintained from the establishment of a fund until it is dissolved.

Establishment of separate accounts for scholarship grants is also essential, with separate accountability of receipts, expenditures, and balances. The records constitute an accounting entity which, though kept separately from the general books of the institution, need to be controlled by the total financial records of the institution, maintained by the fiscal officer, and be auditable within the institution's total financial records.

19–020 – Disposition

The operating and financial records, including all documents to support entries in the accounting records and to substantiate charges to the grant and/or Fund(s) must be kept readily available for examination by personnel authorized to examine Department of Health, Education, and Welfare grant and fund accounts within an institution. Loan fund records must be maintained by the school until such time as agreed upon with the Secretary that there is no further need for retention. All such records for scholarship grants must be retained by the school as follows:

(1) Records may be destroyed 3 years after the end of the fiscal year for which funds were awarded, if audit by or on behalf of the Department of Health, Education, and Welfare has occurred by that time.

(2) If audit by or on behalf of the Department of Health, Education, and Welfare has not occurred by that time, the records must be retained until audit or until 5 years following the end of the fiscal year for which funds were awarded, whichever is earlier.

(3) In all cases an overriding requirement exists to retain records until resolution of any audit questions relating to individual grants.

20–000 – AUDIT

Health Professions and Nursing Scholarship grants and Student Loan Funds are subject to inspection and audit by representatives of the Department of Health, Education, and Welfare to (1) verify financial transactions and determine whether funds were used in accordance with applicable laws, regulations, and procedures; (2) provide management with objective and systematic appraisals of financial and administrative controls, including information as to whether operations are carried out effectively, efficiently, and economically; and (3) determine reliability of financial records and reports.

The audit is performed in accordance with generally accepted auditing practices to determine that there is a proper accounting and use of funds.

21–000 – REPORTS

The Annual Operating Report (form NIH–1614–13, Exhibit C–5) is required from all schools participating in the Health Professions Student Assistance Programs and the Nursing Student Assistance Programs.

The form is mailed to all participating schools at the end of the fiscal year for completion and return within 45 days.

Section I of the form provides general administrative information about the school.

Section II relates to school enrollment and assistance provided. The information requested is necessary for program evaluation and analysis.

Schools participating in both the Health Professions Student Loan Program and the Health Professions Scholarship Program or schools of nursing participating in both the Nursing Student Loan Program and the Nursing Scholarship Program need complete only one Section I and one Section II, with the exception that a school of nursing providing more than one program of nursing education (e.g., associate and baccalaureate, baccalaureate and graduate, or any combination of nursing programs) must complete a separate report (Section I and Section II) for each program.

Section III is the financial report for the fiscal year involved for each activity, (scholarship account, Federal Capital Contribution, Federal Capital Loan) and is cumulative for the loan fund activity under each method of capitalization from the beginning of the program's operation. Scholarship financial transactions need only be reported on a current year basis since any balance remaining in the scholarship fund at the end of the fiscal year reported reverts to the U.S. Treasury. *The cumulative column of Section III is not completed for scholarship activity.*

A separate Section III must be completed for each Fund or account. A school participating in both the loan program and the scholarship program must complete a separate financial report, Section III, for each account. Additionally, a school capitalizing loan funds under both methods of capitalization (Federal Capital Contributions plan and Federal Capital Loan (revolving fund) plan) must complete a separate Section III for each method of funding.

21–010 – Procedure when a school closes

A separate financial report (Section III) must be prepared for each type of Fund or account (scholarship, Federal Capital Contribution, Federal Capital Loan) when a school or program closes. The total cash balance in a scholarship account is remitted to the Bureau of Health Manpower Education with the closing report. Quarterly reports are required for a Federal Capital Contribution Fund until the Fund is phased out. The school remits to the Bureau of Health Manpower Education the Federal share of each quarterly cash balance and may withdraw from the Fund its proportionate share of such quarterly cash balances.

When a Federal Capital Loan Fund is phased out, all cash collected must be remitted monthly to the Bureau of Health Manpower Education and quarterly financial reports must be filed until the Fund is dissolved.

CHAPTER VIII: COLLECTIONS

22–000 – INTRODUCTION

The Regulations for the Health Professions and Nursing Student Loan Programs provide that "each school at which a Fund(s) is established shall exercise due diligence in the collection of all loans due the Fund(s)." This Chapter is intended to clarify this requirement and to aid those schools for which the management of student loans is a new and unfamiliar responsibility. It is not the intent of the Bureau of Health Manpower Education to establish rigid or uniform procedures for all schools concerned, but rather to provide guidelines of sound collection principles which may be used at the discretion of the participating school.

22–010 – General principles

Sound collection procedures presuppose reasonable discretion in lending. If such discretion has not been exercised in the past, the officer charged with collections should seek a remedy immediately.

The school should assure itself that the borrower clearly understands the agreed terms of his loan and his responsibility to meet them. In this connection, the exit interview, explained below, is of key importance and will help to limit future correspondence. (See Chapter II, Exit interview –05–100, and Chapter IV, Exit interview –12–100.)

The officer responsible for collection of accounts should know his borrowers as thoroughly as possible. At the exit interview, as much information should be obtained as possible of the kind listed in Exhibit E–1. It is recommended that the collection officer correspond with his borrowers at least once a year and encourage them to plan their financial program so that maturing payments will be met when due. Correspondence should begin during the grace period.

The officer in charge of collections should establish a procedure that is sufficiently prompt and firm to impress the borrower with the seriousness of his obligation. The procedure should be effective enough to obtain results, and yet retain the goodwill of the borrower. The manner of handling accounts should be serious enough to induce the borrower to plan ahead and, if necessary, to make sacrifices to keep his loan in good standing.

Many schools find it advantageous to have the officer responsible for collections participate in the determination of policies governing the approval of loans. In addition to the more routine duties involved in the collection of loans (regularly billing borrowers, accurately distributing repayments between principal and interest, and crediting borrowers' accounts with the receipt of cancellation certificates), there are functions involving a higher level of skill and discretion. These concern the type of action to be taken in following up individual overdue accounts. granting extensions for good cause, tracing non-reporting or "lost" borrowers, and determining if and when the ultimate remedy of resort to litigation will be employed.

Some borrowers may not respond to communications or may move and fail to leave a forwarding address or to notify the school of a change of address. The Borrower Account Tracing Check Sheet (Exhibit E–3) has been developed from procedures used by academic institutions and commercial enterprises. Full use of the Check Sheet at stated intervals should locate nearly every borrower within a reasonable period of time. In cases where the borrower cannot be located by means of the Tracing Check Sheet, the school may wish to employ the services of a reliable retail credit or tracer organization. Such services are not regarded as a part of litigation and, therefore, if they are utilized, the cost must be borne by the school.

23–000 – COLLECTION PROCEDURES

In addition to prompt action on accounts, there is a minimum procedure that can be deemed "due diligence" in the collection of accounts. This may be described as follows:

(1) *Before the Borrower Leaves the Institution* –

(a) *The Loan Application* – An application form should be used each time a student applies for a new loan. The form should request sufficient information about the applicant, including references, to make it possible to trace him if, in spite of all precautions, he should leave the institution without an exit interview.

(b) *The Exit Interview* – At the exit interview it is essential both to explain the borrower's obligations to him and to secure current information which will enable the school to trace the borrower in the future. A written record of the interview should be maintained. Exhibit E–1 contains a check list of questions for use in recording the interview and making certain that the borrower understands his obligations. An interviewer conversant with the program should point out explicitly to the borrower that the Health Professions or Nursing Student Loan Fund is a cooperative arrangement between the institution and the Federal Government. He should be made aware that the loan he received, if provided from a Federal Capital Contribution Fund, was made up of money contributed by both the institution and the Federal Government or, in the case of a loan from the Federal Capital Loan Fund, of money which the school borrowed and owes to the holder of its note. Also, he should be informed that the Federal Government retains an interest in its portion of the Fund which is held in trust by the institution. The cooperative features of the loan fund and the necessity for prompt payment of the loan should be strongly emphasized. The amount and due date of payments, deferment and cancellation provisions, interest calculations, and repayment schedule should be reviewed item by item with the borrower. Exhibit E–2 contains a questionnaire showing the kind of information which should be acquired for the borrower's file (e.g., insurance data, driver's license, district income tax office, nearest relative, social security number, home bank, credit cards, charge accounts, fraternity membership, future plans, etc.). In every instance, some pertinent information should be available to provide a clue, if needed, in tracing the borrower.

(2) *Correspondence before payment is due* –

(a) Approximately 30 to 60 days prior to the expiration of the grace period, a letter should be mailed to the borrower to inform him of the expiration of the grace period and the beginning of accrual of interest. It should also remind him of the provisions of the repayment schedule. (See sample letter, Exhibit E–4.)

(b) A statement of account or a letter should be mailed approximately 15 to 30 days before the due date of the first required payment. (See sample letter, Exhibit E–5.)

(3) *Delinquent lists*

In order to follow up on overdue accounts systematically, a current Delinquent List should be maintained. Compilation of an overdue account list from the individual ledger cards or subsidiary account sheets permits a review of all contacts with pertinent notes and/or information about the borrower every month, thus assuring current data at the time collection letters are sent.

23–010 – Action to be taken with delinquent accounts

A. A follow-up letter should be mailed to the borrower not more than 15 days after the due date of the required payment. (See sample letter, Exhibit E–6.)
If there is not a prompt reply to the initial follow-up letter, appropriate officials should be requested to withhold all services (transcripts, letters of recommendation, alumni materials, publications, placement information, etc.) of the school until notified by the fiscal officer that the borrower's obligations have been met. Some schools find it desirable to withhold these services (in appropriate cases) until the entire delinquent amount is paid.

B. A second letter should follow not more than 60 days after the due date. (See sample letter, Exhibit E–7.)

C. A third letter should follow not more than 90 days after the due date. This letter may state that if the account is not paid or otherwise adjusted, it will be referred to legal counsel for further action. (See sample letters, Exhibit E–8.)

24–000 – LITIGATION AS A LAST RESORT

Enforcing payment of a Health Professions or Nursing Student Loan by legally proceeding against the maker or co-maker (if any) is always a matter of last resort to be used after all other attempts at negotiation have failed. If enforced action appears necessary, the fiscal officer, under his responsibility to the Student Loan Fund, should not hesitate to take the necessary steps. To delay action which is inevitable does not help the borrower, the co-maker (if any), nor the Student Loan Fund.

A few institutions are reluctant to institute legal action because such action frequently results in an uncollectible judgment. This conclusion appears questionable when viewed in terms of potential earnings, inheritance, and accumulation of possessions by the borrower. True, a judgment debtor may, at the time of the legal proceedings, have no real or personal property that may be seized on execution and sold to satisfy the judgment. However, the law is such that procuring a judgment such as notifying credit associations regarding an individual's credit rating has a salutary effect on most individuals whose payments are substantially overdue.

Judgments are good for ten years in most States and can be renewed. The costs in most cases are minimal and in many cases result in repayment of the loan.

24–010 – Resort to legal counsel for collection

The statutory provision allowing expenditures from the Health Professions and Nursing Student Loan Funds for costs of litigation implies that schools may proceed with litigation, when necessary, in the collection of loans. After exhausting all other possibilities, the account should be transferred officially to an attorney for this purpose.

A letter from the attorney should state that the obligation is binding and that unless it is satisfied the school will take further action at an appropriate time. (See sample letter, Exhibit E–9.)

A suit for collection of the account should be filed with the appropriate court if no response is received to the attorney's letter. This should be done as soon as possible after the decision is made to resort to legal action and, in every case, before the statute of limitation expires.

24–020 – Borrowers moving to other jurisdictions

Jurisdictional problems confront schools when borrowers leave the school and establish residence in a State other than the one in which the loan was made. In some of these situations the school's attorney is without power in a State in which he does not hold membership in the State Bar Association. When legal action becomes necessary to collect the loan, special procedures must be followed. Customarily, the school's attorney, through the Bar Association, arranges to have a corresponding attorney handle the case.

An alternate procedure in such cases is to utilize the services of an established, reputable, national retail credit or tracer organization known to use accepted ethical business practices. Among the services offered are tracing, collection, and credit investigation. While legal services are not an integral part of the work of such organizations, they can generally be arranged without difficulty. Attorneys are required to abide by the standards of the local Bar Association and to limit fees to the established local schedule.

Services of retail credit organizations are available on a membership or a fee basis and may be of use in local as well as interstate situations. However, school resources should be exhausted before referring accounts to a commercial organization. *All costs for collecting the accounts must be borne by the institution except the cost of litigation.* With approval of the school, a retail credit organization may refer delinquent accounts to an attorney for litigation. The Loan Fund may be charged for legal fees arising in connection with collection of these accounts.

24–030 – Bankruptcy

In the case of voluntary bankruptcy, the debtor admits his inability to pay his legal obligations and hands over to the court his total assets, less certain exemptions, for distribution among his creditors. All liability to them, with certain exceptions, is then discharged.

The following points may be of assistance when a Health Professions or Nursing Student Loan is involved:

(1) The school is the creditor, and despite the involvement of Federal funds, the school is not

entitled to priority. The lending school is entitled to the same distribution of the borrower's assets as are all other general creditors.

(2) After the petition in bankruptcy has been filed, the lending school should seek to persuade the debtor to sign a new note or to acknowledge his indebtedness in writing.

(3) The claim should be proved by filing an affidavit, the form for which may be bought from any legal stationer. It is necessary to prove the claim in this way in order to preserve the creditor's remedies. The claim should include all payments due, plus interest, to the date the petition in bankruptcy is filed. This must be done within six months after the petition in bankruptcy is filed by the borrower.

(4) The original application of the borrower for a loan should be examined in order to determine whether or not the loan was obtained by false pretenses or false representations. If the school relied upon such a false statement, the school may file its objection to the plan or to a discharge of the borrower's debt in bankruptcy.

(5) If the school does not obtain a written acknowledgement of the debt or is doubtful of the success of its objection to a discharge and wishes to defeat a bankruptcy, it should work with all other creditors in an attempt to show a fraudulent transfer of assets or to show that the individual borrowed the money intending to go into bankruptcy.

(6) Creditors' meeting should be attended.

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Exhibit E Sample Letters and Check Lists

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Exhibit A

PUBLIC HEALTH SERVICE ACT, AS AMENDED

TITLE VII

Health Research and Teaching Facilities and Training of Professional Health Personnel

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TITLE VIII

Nurse Training

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EXHIBIT A–1

PART C—STUDENT LOANS

LOAN AGREEMENTS

42 U.S.C. 294

SEC. 740. (a) 1/The Secretary of Health, Education, and Welfare is authorized to enter into an agreement for the establishment and operation of a student loan fund in accordance with this part with any public or other nonprofit school of medicine, osteopathy, dentistry, pharmacy, podiatry, optometry, or veterinary medicine which is located in a State and is accredited as provided in section 721(b)(1)(B).

(b) 2/ Each agreement entered into under this section shall—

(1) provide for establishment of a student loan fund by the school;

(2) provide for deposit in the fund, except as provided in section 746, of (A) 3/ the Federal capital contributions to the fund, (B) 4/ an amount equal to not less than one-ninth of such Federal capital contributions, contributed by such institution, (C) collections of principal and interest on loans made from the fund, (D) 5/ collections pursuant to section 741(j), and (E) any other earnings of the fund;

(3) provide that the fund, except as provided in section 746, shall be used only for loans to students of the school in accordance with the agreement and for costs of collection of such loans and interest thereon;

(4) 6/ provide that loans may be made from such funds only to students pursuing a full-time course

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1/ Secs. 740 (a) and (b)(4) amended by secs. 3 (a) and (b), respectively, of P.L. 89-709.

2/ Secs. 740(b)(2) (A) and (B) amended by sec. 5(c)(1) of P.L. 89–751.

3/ Sec. 740(b)(2)(A) amended by:

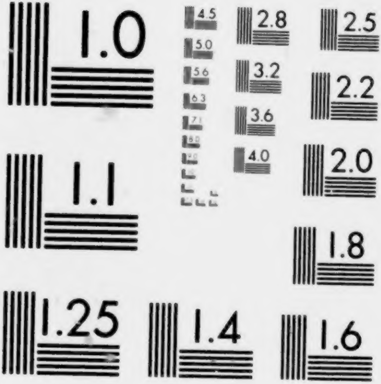
(a) Sec. 5(d)(1) of P.L. 89–751 to "* * * be effective in the case of payments to student loan funds made after the enactment of this Act, except in the case of payments pursuant to commitments (made prior to enactment of this Act) to make loans under section 744 of the Public Health Service Act as in effect prior to the enactment of this Act."

(b) Sec. 5(d)(2) of P.L. 89–751, to authorize the Secretary of Health, Education, and Welfare, "* * * at the request of any institution, to take such steps as are necessary to convert a Federal capital contribution (which shall include the amount allocated to it under section 740(b)(2)(A) of the Public Health Service Act) to a student loan fund of such institution, made under title VII of the Public Health Service Act from funds appropriated pursuant thereto for the fiscal year ending June 30, 1967, to a loan under section 744 of such Act as amended by this Act."

4/ Subsecs. 740(b) (2) and (3) amended by addition of clause set off by commas by sec. 121(a)(1) of P.L. 90–490. These amendments shall be effective for appropriations after June 30, 1969.

5/ Subsec. 740(b)(2)(D) amended by subsec. 121(a)(5)(B) of P.L. 90–490, effective with respect to loans made after June 30, 1969.

6/ Subsec. 740(b)(4) amended by subsec. 121(a)(2) of P.L. 90–490.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MICROCOPY RESOLUTION TEST CHART

NATIONAL BUREAU OF STANDARDS-1963-A

of study at the school leading to a degree of doctor of medicine, doctor of dentistry or an equivalent degree, doctor of osteopathy, batchelor of science in pharmacy or doctor of pharmacy, doctor of podiatry or doctor of surgical chiropody, doctor of optometry or an equivalent degree, or doctor of veterinary medicine or an equivalent degree, and that while the agreement remains in effect no such student who has attended such school before July 1, 1971, shall receive a loan from a loan fund established under section 204 of the National Defense Education Act of 1958; and

(5) contain such other provisions as are necessary to protect the financial interests of the United States.

42 U.S.C. 294a

LOAN PROVISIONS

SEC. 741. (a)[1] Loans from a loan fund established under this part may not exceed $2,500 for any student for any academic year or its equivalent. In the granting of such loans, a school shall give preference to persons who enter as first-year students after June 30, 1963.

(b)[2] Any such loans shall be made on such terms and conditions as the school may determine, but may be made only to a student in need of the amount thereof to pursue a full-time course of study at the school leading to a degree of doctor of medicine, doctor of dentistry or an equivalent degree, doctor of osteopathy, bachelor of science in pharmacy or doctor of pharmacy, doctor of podiatry or doctor of surgical chiropody, doctor of optometry or an equivalent degree, or doctor of veterinary medicine or an equivalent degree.

(c)[3] Such loans shall be repayable in equal or graduated periodic installments (with the right of the borrower to accelerate repayment) over the ten-year period which begins one year after the student ceases to pursue a full-time course of study at a school of medicine, osteopathy, dentistry, pharmacy, podiatry, optometry, or veterinary medicine, excluding from such ten-year period all periods (up to three years) of (1) active duty performed by the borrower as a member of a uniformed service, or (2) service as a volunteer under the Peace Corps Act; and periods (up to five years) of advanced professional training including internships and residences.

(d) The liability to repay the unpaid balance of such a loan and accrued interest thereon shall be canceled upon the death of the borrower, or if the Secretary determines that he has become permanently, and totally disabled.

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[1] Sec. 741(a) amended by sec. 4(b)(1) of P.L. 89–290.

[2] Sec. 741(b) amended by sec. 3(c) of P.L. 89–709.

[3] Sec. 741(c) amended to read "one year" instead of "three years" by subsec. 121(a)(3) of P.L. 90–490. Last clause of 741(c) added by subsec. 121(a)(3). These amendments shall apply (1) with respect to all loans made under an agreement under pt. (C) of title VII of the Public Health Service Act after June 30, 1969, and (2) with respect to loans made thereunder before July 1, 1969, to the extent agreed to by the school which made the loans and the Secretary (but, then, only as to years beginning after June 30, 1969).

(e)[1] Such loans shall bear interest, on the unpaid balance of the loan, computed only for periods for which the loan is repayable, at the rate of 3 per centum per year.

(f)[2] Where any person who obtained one or more loans from a loan fund established under this part—

(1) engages in the practice of medicine, dentistry, optometry, or osteopathy in an area in a State determined by the appropriate State health authority, in accordance with regulations provided by the Secretary, to have a shortage of and need for physicians, optometrists or dentists; and

(2) the appropriate State health authority certifies to the Secretary of Health, Education, and Welfare in such form and at such times as the Secretary may prescribe that such practice helps to meet the shortage of and need for physicians, optometrists or dentists in the area where the practice occurs; then 10 per centum of the total of such loans, plus accrued interest on such amount, which are unpaid as of the date that such practice begins, shall be canceled thereafter for each year of such practice, up to a total of 50 per centum of such total, plus accrued interest thereon.

In the case of a physician, dentist, or optometrist, the rate shall be 15 per centum (rather than 10 per centum) for each year of such practice in an area in a State which for purposes of this subsection and for that year has been determined by the Secretary, pursuant to regulations and after consultation with the appropriate State health authority, to be a rural area characterized by low family income; and, for the purpose of any cancellation pursuant to this sentence, an amount equal to an additional 50 per centum of the total amount of such loans plus interest may be canceled.

(g)[3] Loans shall be made under this part without security or endorsement, except that if the borrower is a minor and the note or other evidence of obligation executed by him would not, under the applicable law, create a binding obligation, either security or endorsement may be required.

(h)[3] No note or other evidence of a loan made under this part may be transferred or assigned by the school making the loan except that, if the borrower transfers to another school participating in the program under this part, such note or other evidence of a loan may be transferred to such other school.

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[1] Sec. 741(e) amended by deletion of several sentences by subsec. 121(a)(4) of P.L. 90–490, effective with respect to loans made after June 30, 1969.

[2] Sec. 741(f) amended by sec. 4(a) of P.L. 89–751.

[3] These subsections, formerly (f) and (g), were redesignated by subsec. 4(b)(2) of P.L. 89–290.

(i) [1] Where all or any part of a loan, or interest, is canceled under this section, the Secretary shall pay to the school an amount equal to the school's proportionate share of the canceled portion, as determined by the Secretary.

(j) [2] Subject to regulations of the Secretary, a school may assess a charge with respect to a loan made under this part for failure of the borrower to pay all or any part of an installment when it is due and, in the case of a borrower who is entitled to deferment of the loan under subsection (c) or cancellation of part or all of the loan under subsection (f), for any failure to file timely and satisfactory evidence of such entitlement. The amount of any such charge may not exceed $1 for the first month or part of a month by which such installment or evidence is late and $2 for each such month or part of a month thereafter. The school may elect to add the amount of any such charge to the principal amount of the loan as of the first day after the day on which such installment or evidence was due, or to make the amount of the charge payable to the school not later than the due date of the next installment after receipt by the borrower of notice of the assessment of the charge.

(k) [2] A school may provide, in accordance with regulations of the Secretary, that during the repayment period of a loan from a loan fund established pursuant to an agreement under this part payments of principal and interest by the borrower with respect to all the outstanding loans made to him from loan funds so established shall be at a rate equal to not less than $15 per month.

42 U.S.C. 294b

AUTHORIZATION OF APPROPRIATIONS

Sec. 742. (a) [3] There are hereby authorized to be appropriated to the Secretary of Health, Education, and Welfare to carry out this part (other than section 744) $5,100,000 for the fiscal year ending June 30, 1964, $10,200,000 for the fiscal year ending June 30, 1965; $15,400,000 for the fiscal year ending June 30, 1966, $25,000,000 each for the fiscal year ending June 30, 1967, and the two succeeding fiscal years, and $35,000,000 each for the fiscal year ending June 30, 1970, and the next fiscal year. In addition to the sums authorized to be appropriated by the preceding sentence, there are authorized to be appropriated $500,000 for the fiscal year ending June 30, 1967, $1,000,000 for the fiscal year ending June 30, 1968, and $1,500,000 for the fiscal year ending June 30, 1969, which sums shall be available for carrying out this part (other than section 744) solely with respect to students of veterinary medicine. There are further authorized to be appropriated to the Secretary such sums for the fiscal year ending June 30, 1972, and each of the two succeeding fiscal years as may be necessary to enable students who have received a loan under this part for any academic year ending before July 1, 1971, to continue or complete their education. Sums appropriated under this section for the fiscal year ending June 30, 1967, or any subsequent fiscal year shall be available to the Secretary (1) for payments into the fund established by section 744(d), (2) for making Federal capital contributions into loan funds at schools which have established loan funds under this part, and (3) for transfers pursuant to section 746.

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[1] This subsection, formerly (h), was redesignated by subsec. 4(b)(2) of P.L. 89–290.

[2] Secs. 741 (j) and (k) added by subsec. 121(a)(5)(A) of P.L. 90–490, effective with respect to loans made after June 30, 1969.

[3] Sec. 742(a) amended by sec. 121(b) of P.L. 90–490. Clause (3) applies with respect to appropriations for fiscal years after June 30, 1969.

(b)(1)[1] The Secretary shall from time to time set dates by which schools must file applications for Federal capital contributions, and for loans pursuant to section 744.

(2)[1] If the total of the amounts requested for any fiscal year in such applications exceeds the amounts appropriated under this section for that fiscal year, the allotment to the loan fund of each such school shall be reduced to whichever of the following is the smaller: (A) the amount requested in its application or (B) an amount which bears the same ratio to the amounts appropriated as the number of students estimated by the Secretary to be enrolled in such school during such fiscal year bears to the estimated total number of students in all such schools during such year. Amounts remaining after allotment under the preceding sentence shall be reallotted in accordance with clause (B) of such sentence among schools whose applications requested more than the amounts so allotted to their loan funds, but with such adjustments as may be necessary to prevent the total allotted to any such school's loan fund from exceeding the total so requested by it.

(3)[2] Funds available in any fiscal year for payment to schools under this part (whether as Federal capital contributions or as loans to schools under section 744) which are in excess of the amount appropriated pursuant to this section for that year shall be allotted among schools in such manner as the Secretary determines will best carry out the purposes of this part.

(4)[2] Allotments to a loan fund of a school shall be paid to it from time to time in such installments as the Secretary determines will not result in unnecessary accumulations in the loan fund at such school.

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[1] Secs. 742(b) (1) and (2) amended by secs. 5(b) (2) and (3), respectively, of P.L. 89–751.

[2] Sec. 742(b) amended by redesignating paragraph (3) as paragraph (4) and inserting a new paragraph (3), by sec. 5(b)(4) of P.L. 89–751.

EXHIBIT A–1

42 U.S.C. 294c

DISTRIBUTION OF ASSETS FROM LOAN FUNDS

SEC. 743.[1] (a)[2] After June 30, 1974, and not later than September 30, 1974, there shall be a capital distribution of the balance of the loan fund established under an agreement pursuant to section 740(b) by each school as follows:

(1) The Secretary shall first be paid an amount which bears the same ratio to such balance in such fund at the close of June 30, 1974, as the total amount of the Federal capital contributions to such fund by the Secretary pursuant to section 740(b)(2)(A) bears to the total amount in such fund derived from such Federal capital contributions and from funds deposited therein pursuant to section 740(b)(2)(B).

(2) The remainder of such balance shall be paid to the school.

(b)[2] After September 30, 1974, each school with which the Secretary has made an agreement under this part shall pay to the Secretary, not less often than quarterly, the same proportionate share of amounts received by the school after June 30, 1974, in payment of principal or interest on loans made from the loan fund established pursuant to such agreement (other than so much of such fund as relates to payments from the revolving fund established by section 744(d)) as was determined for the Secretary under subsection (a).

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[1] Sec. 743 amended by sec. 121(c) of P.L. 90–490 by striking out "1972" wherever it appeared therein and inserting in lieu thereof "1974."

[2] Subsecs. (a) and (b) of sec. 743 amended by subsecs. (2) (A) and (B), and (3), respectively, of sec. 5(c) of P.L. 89–751.

EXHIBIT A–1

Loans to Schools

Sec. 744.[1] (a)(1)[2] During the fiscal years ending June 30, 1967, and June 30, 1968, and each of the next three fiscal years, the Secretary may make loans, from the revolving fund established by subsection (d), to any public or other nonprofit school referred to in section 740(a) which is located in a State and is accredited as provided in section 721(b)(1)(B), to provide all or part of the capital needed by any such school for making loans to students under this section (other than capital needed to finance the institutional contributions required by section 740(b)(2)(B). Loans to students from such borrowed sums shall be subject to the terms, conditions, and limitations set forth in section 741. The requirement in section 740(b)(2)(B) with respect to institutional contributions to student loan funds shall not apply to loans made to schools under this section.

42 USC 294.
42 USC 293a.

(2) A loan to a school under this section may be upon such terms and conditions, consistent with applicable provisions of section 740, as the Secretary deems appropriate. If the Secretary deems it to be necessary to assure that the purposes of this section will be achieved, these terms and conditions may include provisions making the school's obligation to the Secretary on such a loan payable solely from such revenues or other assets or security (including collections on loans to students) as the Secretary may approve. Such a loan shall bear interest at a rate which the Secretary determines to be adequate to cover (A) the cost of the funds to the Treasury as determined by the Secretary of the Treasury, taking into consideration the current average yields of outstanding marketable obligations of the United States having maturities comparable to the maturities of loans made by the Secretary under this section, and (B) probable losses.

77 Stat. 170.
42 USC 294.

Payments to Schools To Cover Certain Costs Incurred in Making Student Loans From Borrowed Funds

(b) If a school borrows any sums under this section, the Secretary shall agree to pay to the school (1) an amount equal to 90 per centum of the loss to the school from defaults on student loans made from such sums, (2) the amount by which the interest payable by the school on such sums exceeds the interest received by it on student loans made from such sums, (3) an amount equal to the collection expenses authorized by section 740(b)(3) to be paid out of a student loan fund with respect to such sums, and (4) the amount of principal which is canceled pursuant to section 741 (d) or (f) with respect to student loans made from such funds. There are authorized to be appropriated without fiscal year limitation such sums as may be necessary to carry out the purposes of this subsection.

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[1] Section 744 amended by:
- (a) Sec. 5(a) of PL 89-751,(11/3/66).
- (b) Sec. 5(d)(1) of PL 89-751 (11/3/66) to ". . . be effective in the case of payments to student loan funds made after the enactment of this Act, (PL 89-751) except in the case of payments pursuant to commitments (made prior to enactment of this Act) to make loans under section 744 of the Public Health Service Act as in effect prior to the enactment of this Act (PL 89-751)."
- (c) Sec. 5(d)(2) of PL 89-751 (11/3/66), to authorize the Secretary of Health, Education, and Welfare, ". . . at the request of any institution, to take such steps as are necessary to convert a Federal capital contribution (which shall include the amount allocated to it under section 740(b)(2)(A) of the Public Health Service Act) to a student loan fund of such institution, made under title VII of the PHS Act from funds appropriated pursuant thereto for the fiscal year ending 6/30/67, to a loan under section 744 of such Act as amended by this Act (PL 89-751)."

[2] Sec. 744(a)(1) amended by sec. 121(d)(1) of PL 90-490, 8/16/68.

Limitation on Loans From Revolving Fund

(c) [1] The total of the loans made in any fiscal year under this section may not exceed the lesser of (1) such limitations as may be specified in appropriation Acts, and (2) the difference between $45,000,000 and the amount of Federal funds (other than loans under this section) deposited in student loan funds under this part for that year.

Revolving Fund

(d)(1) There is hereby created within the Treasury a health professions education fund (hereinafter in this section called "the fund") which shall be available to the Secretary without fiscal-year limitation as a revolving fund for the purposes of this section. A business-type budget for the fund shall be prepared, transmitted to the Congress, considered, and enacted in the manner prescribed by law (sections 102, 103, and 104 of the Government Corporation Control Act, 31 U.S.C. 847–849) for wholly owned Government Corporations.

59 Stat. 598; 61 Stat. 584 77 Stat. 172; 42 U.S.C. 294b

(2) The fund shall consist of appropriations paid into the fund pursuant to section 742(a), appropriations made pursuant to this subsection, all amounts received by the Secretary as interest payments or repayments of principal on loans under this section, and any other moneys, property, or assets derived by him from his operations in connection with this section (other than subsection (b)), including any moneys derived directly or indirectly from the sale of assets, or beneficial interests or participations in assets, of the fund.

(3) All loans, expenses (other than normal administrative expenses), and payments pursuant to operations of the Secretary under this section (other than subsection (b)) shall be paid from the fund, including (but not limited to) expenses and payments of the Secretary in connection with the sale, under section 302(c) of the Federal National Mortgage Association Charter Act, of participations in obligations acquired under this section. From time to time, and at least at the close of each fiscal year, the Secretary shall pay from the fund into the Treasury as miscellaneous receipts interest on the cumulative amount of appropriations paid out for loans under this section, less the average undisbursed cash balance in the fund during the year. The rate of such interest shall be determined by the Secretary of the Treasury, taking into consideration the average market yield during the month preceding each fiscal year on outstanding Treasury obligations of maturity comparable to the average maturity of loans made from the fund. Interest payments may be deferred with approval of the Secretary of the Treasury, but any interest payments so deferred shall themselves bear interest. If at any time the Secretary determines that moneys in the fund exceed the present and any reasonably prospective future requirements of the fund, such excess may be transferred to the general fund of the Treasury.

78 Stat. 800
12 U.S.C. 1717
Ante, p. 164

(4) In addition to the sums authorized to be appropriated by section 742(a), there are authorized to be appropriated to the fund established by this subsection $10,000,000 for the fiscal year ending June 30, 1967.

42 U.S.C. 294e

ADMINISTRATIVE PROVISIONS

Sec. 745. The Secretary may agree to modifications of agreements or loans made under this part, and may compromise, waive, or release any right, title, claim, or demand of the United States arising or acquired under this part.

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[1] Sec. 744(c) amended by sec. 121(d)(2) of PL 90-490, 8/16/68.

TRANSFER OF FUNDS TO SCHOLARSHIPS

SEC. 746.[1/] Not to exceed 20 per centum of the amount paid to a school from the appropriations for any fiscal year for Federal capital contributions under an agreement under this part, or such larger percentage thereof as the Secretary may approve, may be transferred to the sums available to the school under part F of this title to be used for the same purpose as such sums. In the case of any such transfer, the amount of any funds which the school deposited in its student loan fund pursuant to section 740(b)(2)(B) with respect to the amount so transferred may be withdrawn by the school from such fund.

[1/] Sec. 746 added by sec. 121(e) of P.L. 90–490. The amendment applies with respect to appropriations for fiscal years after June 30, 1969.

EXHIBIT A–2

PART F—SCHOLARSHIP GRANTS TO SCHOOLS OF MEDICINE, OSTEOPATHY, DENTISTRY, OPTOMETRY, PODIATRY, PHARMACY, OR VETERINARY MEDICINE [1]

SCHOLARSHIP GRANTS

SEC. 780.[2] (a) The Surgeon General shall make grants as provided in this part to each public or other nonprofit school of medicine, osteopathy, dentistry, optometry, podiatry, pharmacy, or veterinary medicine which is accredited as provided in section 721(b)(1)(B) or section 773(b)(2), for scholarships to be awarded annually by such school to students thereof.

Post, p. 1058.
Ante, p. 1053

(b) The amount of the grant under subsection (a) to each such school shall be equal to $2,000 multiplied (1) for the fiscal year ending June 30, 1966, by one-tenth of the number of full-time first-year students of such school; (2) for the fiscal year ending June 30, 1967, by one-tenth of the number of full-time first-year students and second-year students of such school; (3) for the fiscal year ending June 30, 1968, by one-tenth of the number of full-time first-year students, second-year students, and third-year students of such school; and (4) for the fiscal year ending June 30, 1969, and each of the next two fiscal years, by one-tenth of the number of full-time students of such school. For the fiscal year ending June 30, 1972, and for each of the two succeeding fiscal years, the grant under subsection (a) shall be such amount as may be necessary to enable such school to continue making payments under scholarship awards to students who initially received such awards out of grants made to the school for fiscal years ending prior to July 1, 1971.

Recipients, eligibility

(c)(1) Scholarships may be awarded by schools from grants under subsection (a)—

(A) only to individuals who have been accepted by them for enrollment as full-time first-year students, in the case of awards from such grants for the fiscal year ending June 30, 1966;

(B) only to individuals who have been so accepted, and individuals enrolled and in good standing as full-time second-year students, in the case of awards from such grants for the fiscal year ending June 30, 1967;

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[1] Title of pt. F amended by sec. 122 of P.L. 90–490 by addition of words "veterinary medicine," effective with respect to appropriations for fiscal years after June 30, 1969.

[2] Sec. 122 of P.L. 90–490 amended sec. 780, effective with respect to appropriations for fiscal years after June 30, 1969 by:

(a) Adding words "veterinary medicine" in 780(a);

(b) Changing dates from 1970 and 1969 to 1972 and 1971 respectively in 780(b) and 780(c)(1)(E);

(c) Adding a clause at the end of 780(c)(1)(D);

(d) Substituting words "of exceptional financial need who need such financial assistance to" for "from low-income families who, without such financial assistance could not" in sec. 780(c)(2); and

(e) Changing name of the National Advisory Council on Medical, Dental, Optometric, and Podiatric Education to the National Advisory Council on Health Professions Educational Assistance in 780(d).

(C) only to individuals who have been so accepted, and individuals enrolled and in good standing as full-time second-year or third-year students, in the case of awards from such grants for the fiscal year ending June 30, 1968;

(D) only to individuals who have been so accepted, and individuals enrolled and in good standing as full-time students, in the case of awards from such grants for the fiscal year ending June 30, 1969, and each of the next two fiscal years; and

(E) only to individuals enrolled and in good standing as full-time students who initially received scholarship awards out of such grants for a fiscal year ending prior to July 1, 1971, in the case of awards from such grants for the fiscal year ending June 30, 1972, or the two succeeding fiscal years.

(2) Scholarships from grants under subsection (a) for any school year shall be awarded only to students of exceptional financial need who need such financial assistance to pursue a course of study at the school for such year. Any such scholarship awarded for a school year shall cover such portion of the student's tuition, fees, books, equipment, and living expenses at the school making the award, but not to exceed $2,500 for any year, as such school may determine the student needs for such year on the basis of his requirements and financial resources.

(d) Grants under subsection (a) shall be made in accordance with regulations prescribed by the Surgeon General after consultation with the National Advisory Council on Health Professions Educational Assistance.

(e) Grants under subsection (a) may be paid in advance or by way of reimbursement, and at such intervals as the Surgeon General may find necessary; and with appropriate adjustments on account of overpayments or underpayments previously made.

TRANSFER TO STUDENT LOAN FUNDS

Sec. 781.[1/] Not to exceed 20 per centum of the amount paid to a school from the appropriations for any fiscal year for scholarships under this part, or such larger percentage thereof as the Secretary may approve, may be transferred to the sums available to the school under part C for (and to be regarded as) Federal capital contributions, to be used for the same purpose as such sums.

[1/] Sec. 781 added by sec. 122(d) of P.L. 90–490, effective with respect to appropriations after June 30, 1969.

PART B—ASSISTANCE TO NURSING STUDENTS

LOAN AGREEMENTS

SEC. 822. (a) The Secretary of Health, Education, and Welfare is authorized to enter into an agreement for the establishment and operation of a student loan fund in accordance with this part with any public or nonprofit private school of nursing which is located in a State. 42 U.S.C. 297a

(b) 2/ Each agreement entered into under this section shall—

(1) provide for establishment of a student loan fund by the school;

(2) provide for deposit in the fund, except as provided in section 829, of (A) the Federal capital contributions paid under this part to the school by the Secretary, (B) an additional amount from other sources equal to not less than one-ninth of such Federal capital contributions, (C) collections of principal and interest on loans made from the fund, (D) collections pursuant to section 823 (f) and (e) any other earnings of the fund;

1/ Sec. 821(a) amended by sec. 221 of P.L. 90–490.

2/ Sec. 822(b) amended by sec. 222(a) and subsec. 222(c)(2) of P.L. 90–490; effective for loans made after June 30, 1969.

(3) provide that the fund, except as provided in section 829, shall be used only for loans to students of the school in accordance with the agreement and for costs of collection of such loans and interest thereon;

(4) provide that loans may be made from such fund only to students pursuing a full-time course of study at the school leading to a baccalaureate or associate degree in nursing or an equivalent degree or a diploma in nursing, or to a graduate degree in nursing, and that while the agreement remains in effect no such student who has attended such school before July 1, 1971, shall receive a loan from a loan fund established under section 204 of the National Defense Education Act of 1958; and

(5) contain such other provisions as are necessary to protect the financial interests of the United States.

LOAN PROVISIONS

Sec. 823. (a)[1] The total of the loans for any academic year (or its equivalent, as determined under regulations of the Secretary) made by schools of nursing from loan funds established pursuant to agreements under this part may not exceed $1,500 in the case of any student. The aggregate of the loans for all years from such funds may not exceed $6,000 in the case of any student. In the granting of such loans, a school shall give preference to licensed practical nurses and to persons who enter as first-year students after enactment of this title.

(b) Loans from any such student loan fund by any school shall be made on such terms and conditions as the school may determine; subject, however, to such conditions, limitations, and requirements as the Secretary of Health, Education, and Welfare may prescribe (by regulation or in the agreement with the school) with a view to preventing impairment of the capital of such fund to the maximum extent practicable in the light of the objective of enabling the student to complete his course of study; and except that—

(1) such a loan may be made only to a student who (A) is in need of the amount of the loan to pursue a full-time course of study at the school leading to a baccalaureate or associate degree in nursing or an equivalent degree, or a diploma in nursing, or a graduate degree in nursing, and (B) is capable, in the opinion of the school, of maintaining good standing in such course of study;

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[1] Sec. 823(a) amended by subsec. 222(b)(1) of P.L. 90–490, by increasing maximum loan from $1,000 to $1,500, and by limiting aggregate loans to $6.000, and by giving preference to licensed practical nurses.

This amendment shall apply with respect to all loans made after June 30, 1969, and with respect to loans made from a student loan fund established under an agreement pursuant to sec. 822, before July 1, 1969, to the extent agreed to by the school which made the loans and the Secretary (but then only for years beginning after June 30, 1968).

EXHIBIT A–3

(2) [1] such a loan shall be repayable in equal or graduated periodic installments (with the right of the borrower to accelerate repayment) over the ten-year period which begins nine months after the student ceases to pursue a full-time course of study at a school of nursing, excluding from such 10-year period all (A) periods (up to three years) of (i) active duty performed by the borrower as a member of a uniformed service, or (ii) service as a volunteer under the Peace Corps Act, and (B) periods (up to five years) during which the borrower is pursuing a full-time course of study at a collegiate school of nursing leading to baccalaureate degree in nursing or an equivalent degree, or to graduate degree in nursing, or is otherwise pursuing advanced professional training in nursing;

(3) [2] not to exceed 50 per centum of any such loan (plus interest) shall be canceled for full-time employment as a professional nurse (including teaching in any of the fields of nurse training and service as an administrator, supervisor, or consultant in any of the fields of nursing) in any public or nonprofit private institution or agency, at the rate of 10 per centum of the amount of such loan plus interest thereon, which was unpaid on the first day of such service, for each complete year of such service, except that such rate shall be 15 per centum for each complete year of service as such a nurse in a public or other nonprofit hospital in any area which is determined, in accordance with regulations of the Secretary, to be an area which has a substantial shortage of such nurses at such hospitals, and for the purpose of any cancellation at such higher rate, an amount equal to an additional 50 per centum of the total amount of such loans plus interest may be canceled;

(4) the liability to repay the unpaid balance of such loan and accrued interest thereon shall be canceled upon the death of the borrower, or if the Secretary determines that he has become permanently and totally disabled;

(5) [3] such a loan shall bear interest on the unpaid balance of the loan, computed only for periods during which the loan is repayable, at the rate of 3 per centum per annum;

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[1] Subsec. 823(b)(2) amended by subsec. 222(b)(2) of P.L. 90–490, by changing beginning of repayment period from one year to nine months and by substituting a new "excluding" clause.

This amendment shall apply with respect to all loans made after June 30, 1969, and with respect to loans made from a student loan fund established under an agreement pursuant to sec. 822, before July 1, 1969, to the extent agreed to by the school which made the loans and the Secretary (but then only for years beginning after June 30, 1968).

[2] Subsec. 823(b)(3) amended by addition of "except" clause by subsec. 222(b)(3) of P.L. 90–490. This amendment applies with respect to service specified in sec. 823(b)(3) performed during academic years beginning after Aug. 16, 1968, whether the loan was made before or after Aug. 16, 1968.

[3] Subsec. 823(b)(5) amended by sec. 222(b)(4) of P.L. 90–490 by deletion of several clauses. This amendment applies to all loans made after June 30, 1969.

EXHIBIT A–3

(6) such a loan shall be made without security or endorsement, except that if the borrower is a minor and the note or other evidence of obligation executed by him would not, under the applicable law, create a binding obligation, either security or endorsement may be required;

(7) no note or other evidence of any such loan may be transferred or assigned by the school making the loan except that, if the borrower transfers to another school participating in the program under this part, such note or other evidence of a loan may be transferred to such other school.

(c) Where all or any part of a loan, or interest, is canceled under this section, the Secretary of Health, Education, and Welfare shall pay to the school an amount equal to the school's proportionate share of the canceled portion, as determined by the Secretary.

(d) Any loan for any year by a school from a student loan fund established pursuant to an agreement under this part shall be made in such installments as may be provided in regulations of the Secretary or such agreement and, upon notice to the Secretary by the School that any recipient of a loan is failing to maintain satisfactory standing, any or all further installments of his loan shall be withheld, as may be appropriate.

(e) An agreement under this part with any school shall include provisions designed to make loans from the student loan fund established thereunder reasonably available (to the extent of the available funds in such fund) to all eligible students in the school in need thereof.

(f) [1] Subject to regulations of the Secretary, a school may assess a charge with respect to a loan from the loan fund established pursuant to an agreement under this part for failure of the borrower to pay all or any part of an installment when it is due and, in the case of a borrower who is entitled to deferment of the loan under subsection (b)(2) or cancellation of part or all of the loan under subsection (b)(3), for any failure to file timely and satisfactory evidence of such entitlement. The amount of any such charge may not exceed $1 for the first month or part of a month by which such installment or evidence is late and $2 for each such month or part of a month thereafter. The school may elect to add the amount of any such charge to the principal amount of the loan as of the first day after the day on which such installment or evidence was due, or to make the amount of the charge payable to the school not later than the due date of the next installment after receipt by the borrower of notice of the assessment of the charge.

(g) [1] A school may provide in accordance with regulations of the Secretary, that during the repayment period of a loan from a loan fund established pursuant to an agreement under this part payments of principal and interest by the borrower with respect to all the outstanding loans made to him from loan funds so established shall be at a rate equal to not less than $15 per month.

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[1] Secs. 823 (f) and (g) added by subsec. 222(c)(1) of P.L. 90–490, effective for loans made after June 30, 1969.

Authorization of Appropriations for Loans

42 USC 297c

Sec. 824.[1/] There are authorized to be appropriated to the Secretary of Health, Education, and Welfare for Federal capital contributions to student loan funds pursuant to section 822(b)(2)(A) $3,100,000 for the fiscal year ending June 30, 1965, $8,900,000 for the fiscal year ending June 30, 1966, $16,800,000 for the fiscal year ending June 30, 1967, $25,300,000 for the fiscal year ending June 30, 1968, $30,900,000 for the fiscal year ending June 30, 1969, $20,000,000 for the fiscal year ending June 30, 1970, and $21,000,000 for the fiscal year ending June 30, 1971, and such sums for the fiscal year ending June 30, 1972, and each of the two succeeding fiscal years as may be necessary to enable students who have received a loan for any academic year ending before July 1, 1971, to continue or complete their education. Sums appropriated pursuant to this section for the fiscal year ending June 30, 1967, or any subsequent fiscal year shall be available to the Secretary (1) for payments into the fund established by section 827(d), and (2) in accordance with agreements under this part, for Federal capital contributions to schools with which such agreements have been made, to be used, together with deposits in such funds pursuant to section 822(b)(2)(B), for establishment and maintenance of student loan funds, and (3) for transfers pursuant to section 829.

Allotments and Payments of Federal Capital Contributions

42 USC 297d

Sec. 825. (a)[2/] From the sums appropriated pursuant to section 824 for any fiscal year, the Secretary shall allot to each school an amount which bears the same ratio to the amount so appropriated as the number of persons enrolled on a full-time basis in such school bears to the total number of persons enrolled on a full-time basis in all schools of nursing in all the States. The number of persons enrolled on a full-time basis in schools of nursing for purposes of this section shall be determined by the Secretary for the most recent year for which satisfactory data are available to him. For purposes of allotments under this section, a school of nursing also includes any school with which the Secretary has, prior to the time the allotment is made, entered into an agreement for establishment of a student loan fund under this part. Funds available in any fiscal year for payment to schools under this part (whether as Federal capital contributions or as loans to schools under section 827) which are in excess of the amount appropriated pursuant to section 824 for that year shall be allotted among States and among schools within States in such manner as the Secretary determines will best carry out the purposes of this part.

[1/] Sec. 824 amended by secs. 222(d)(1) and (2) of PL 90-490, 8/16/68.

[2/] Sec. 825(a) amended by sec. 222(e) of PL 90-490, 8/16/68.

(b)(1)[1] The Secretary shall from time to time set dates by which schools of nursing in a State must file applications for Federal capital contributions, and for loans pursuant to section 827, from the allotment of such State under the first two sentences of subsection (a) of this section.

(2) If the total of the amounts requested for any fiscal year in such applications which are made by schools in a State exceeds the amount of the allotment of such State for that fiscal year, the amounts to be paid to the loan fund of each such school shall be reduced to whichever of the following is the smaller: (A) the amount requested in its application or (B) an amount which bears the same ratio to the amount of the allotment of such State as the number of students who will be enrolled full time in such school during such fiscal year bears to the total number of students who will be enrolled full time in all such schools in such State during such year. Amounts remaining after allotment under the preceding sentence shall be redistributed in accordance with clause (B) of such sentence among schools which in their applications requested more than the amounts so paid to their loan funds, but with such adjustments as may be necessary to prevent the total paid to any such school's loan fund from exceeding the total so requested by it. If the total of the amounts requested for any fiscal year in such applications which are made by schools in a State is less than the amount of the allotment of such State for that fiscal year, the Secretary may reallot the remaining amount from time to time, on such date or dates as he may fix, to other States in proportion to the original allotments to such States under subsection (a) for such year. For the purpose of this section, the number of students who graduated from secondary schools in each State during a fiscal year and the number of students who will be enrolled full time in schools of nursing in each State shall be estimated by the Secretary of Health, Education, and Welfare on the basis of the best information available to him; and in making such estimates, the number of students enrolled full time in any collegiate school of nursing shall be deemed to be twice their actual number.

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[1] Section 825(b)(1) amended by sec. 6(c)(2) of PL 89-751, 11/3/66.

(c) The Federal capital contributions to a loan fund of a school under this part shall be paid to it from time to time in such installments as the Secretary determines will not result in unnecessary accumulations in the loan fund at such school.

Distribution of Assets from Loan Funds

42 USC 297e

Sec. 826.[1] (a) After June 30, 1974, and not later than September 30, 1974, there shall be a capital distribution of the balance of the loan fund established under an agreement pursuant to section 822(b) by each school as follows:

(1) The Secretary of Health, Education, and Welfare shall first be paid an amount which bears the same ratio to such balance in such fund at the close of June 30, 1974, as the total amount of the Federal capital contributions to such fund by the Secretary pursuant to section 822(b)(2)(A) bears to the total amount in such fund derived from such Federal capital contributions and from funds deposited therein pursuant to section 822(b)(2)(B).

(2) The remainder of such balance shall be paid to the school.

(b) After September 30, 1974, each school with which the Secretary has made an agreement under this part shall pay to the Secretary, not less often than quarterly, the same proportionate share of amounts received by the school after June 30, 1974, in payment of principal or interest on loans made from the loan fund established pursuant to such agreement (other than so much of such fund as relates to payments from the revolving fund established by section 827(d)) as was determined for the Secretary under subsection (a).

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[1] Sec. 826 amended by sec. 222(f) of PL 90-490, 8/16/68.

Loans to Schools

SEC. 827.[1/] (a)(1)[2/] During the fiscal years ending June 30, 1967, and June 30, 1968, and each of the next three fiscal years, the Secretary may make loans, from the revolving fund established by subsection (d), to any public or nonprofit private school of nursing which is located in a State, to provide all or part of the capital needed by any such school for making loans to students under this section (other than capital needed to make the institutional contributions required of schools by section 822(b)(2)(B)). Loans to students from such borrowed sums shall be subject to the terms, conditions, and limitations set forth in section 823. The requirement in section 822(b)(2)(B) with respect to institutional contributions by schools to student loan funds shall not apply to loans made to schools under this section.

42 USC 297a.

42 USC 297b.

(2) A loan to a school under this section may be upon such terms and conditions, consistent with applicable provisions of section 822, as the Secretary deems appropriate. If the Secretary deems it to be necessary to assure that the purposes of this section will be achieved, these terms and conditions may include provisions making the school's obligation to the Secretary on such a loan payable solely from such revenues or other assets or security (including collections on loans to students) as the Secretary may approve. Such a loan shall bear interest at a rate which the Secretary determines to be adequate to cover (A) the cost of the funds to the Treasury as determined by the Secretary of the Treasury, taking into consideration the current average yields of outstanding marketable obligations of the United States having maturities comparable to the maturities of loans made by the Secretary under this section, and (B) probable losses.

Payments to Schools To Cover Certain Costs Incurred in Making Student Loans From Borrowed Funds

(b) If a school of nursing borrows any sums under this section, the Secretary shall agree to pay to the school (1) an amount equal to 90 per centum of the loss to the school from defaults on student loans made from such sums, (2) the amount by which the interest payable by the school on such sums exceeds the interest received by it on student loans made from such sums, (3) an amount equal to the amount of collection expenses authorized by section 822(b)(3) to be paid out of a student loan fund with respect to such sums and (4) the amount of principal which is canceled pursuant to section 823(b)(3) or (4) with respect to student loans made from such sums. There are authorized to be appropriated without fiscal-year limitation such sums as may be necessary to carry out the purposes of this subsection.

[1/] Section 827 amended by:
- (a) Sec.6(a) of PL 89-751, 11/3/66.
- (b) Sec. 6(e)(1) of PL 89-751, (11/3/66) to ". . . be effective in the case of payments to student loan funds made after the enactment of this Act (PL 89-751), except in the case of payments pursuant to commitments (made prior to enactment of this Act) (PL 89-751), to make loans under section 827 of the Public Health Service Act as in effect prior to the enactment of this Act (PL 89-751)."
- (c) Sec. 6(e)(2) of PL 89-751, (11/3/66) to authorize the Secretary of Health, Education, and Welfare, ". . . at the request of any institution, to take such steps as are necessary to convert a Federal capital contribution (which shall include the amount allocated to it under section 822(b)(2)(A) of the PHS Act) to a student loan fund of such institution, made under title VIII of the PHS Act from funds appropriated pursuant thereto for the fiscal year ending 6/30/67, to a loan under section 827 of such Act as amended by this Act (PL 89-751)."

[2/] Sec. 827(a)(1) amended by sec. 222(g) of PL 90-490, 8/16/68.

EXHIBIT A–3

Limitation on Loans

(c) The total of the loans made in any fiscal year under this section shall not exceed the lesser of (1) such limitations as may be specified in appropriation Acts, and (2) the difference between $35,000,000 and the amount of Federal capital contributions paid under this title for that year.

Revolving Fund

(d) (1) There is hereby created within the Treasury a nurse training fund (hereinafter in this section called "the fund") which shall be available to the Secretary without fiscal-year limitation as a revolving fund for the purposes of this section. A business-type budget for the fund shall be prepared, transmitted to the Congress, considered, and enacted in the manner prescribed by law (sections 102, 103, and 104 of the Government Corporation Control Act, 31 U.S.C. 847–849) for wholly owned Government corporations.

(2) The fund shall consist of appropriations paid into the fund pursuant to section 824, appropriations made pursuant to this subsection, all amounts received by the Secretary as interest payments or repayments of principal on loans under this section, and any other moneys, property, or assets derived by him from his operations in connection with this section (other than subsection (b)), including any moneys derived directly or indirectly from the sale of assets, or beneficial interests or participations in assets, of the fund.

(3) All loans, expenses (other than normal administrative expenses), and payments pursuant to operations of the Secretary under this section (other than subsection (b)) shall be paid from the fund, including (but not limited to) expenses and payments of the Secretary in connection with the sale, under section 302(c) of the Federal National Mortgage Association Charter Act, of participations in obligations acquired under this section. From time to time, and at least at the close of each fiscal year, the Secretary shall pay from the fund into the Treasury as miscellaneous receipts interest on the cumulative amount of appropriations paid out for loans under this section, less the average undisbursed cash balance in the fund during the year. The rate of such interest shall be determined by the Secretary of the Treasury, taking into consideration the average market yield during the month preceding each fiscal year on outstanding Treasury obligations of maturity comparable to the average maturity of loans made from the fund. Interest payments may be deferred with approval of the Secretary of the Treasury, but any interest payments so deferred shall themselves bear interest. If at any time the Secretary determines that moneys in the fund exceed the present and any reasonably prospective future requirements of the fund, such excess may be transferred to the general fund of the Treasury.

(4) In addition to the sums authorized to be appropriated by section 824, there are authorized to be appropriated to the fund established by this subsection $2,000,000 for the fiscal year ending June 30, 1967.

Administrative Provisions

42 USC 297g

Sec. 828. The Secretary may agree to modifications of agreements or loans made under this part, and may compromise, waive, or release any right, title, claim, or demand of the United States arising or acquired under this part.

TRANSFERS TO SCHOLARSHIP PROGRAM

SEC. 829.[1] Not to exceed 20 per centum of the amount paid to a school from the appropriation for any fiscal year for Federal capital contributions under an agreement under this part, or such larger percentage thereof as the Secretary may approve, may be transferred to the sums available to the school under part D to be used for the same purpose as such sums. In the case of any such transfer, the amount of any funds which the school deposited in its student loan fund pursuant to section 822(b)(2)(B) with respect to the amount so transferred may be withdrawn by the school from such fund.

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[1] Sec. 829 added by sec. 222(h) of P.L. 90–490, effective with respect to appropriations for fiscal years after June 30, 1969.

PART D [1]—SCHOLARSHIP GRANTS TO SCHOOLS OF NURSING

SCHOLARSHIP GRANTS

SEC. 860. [2](a) The Secretary shall make grants as provided in this part to each public or other nonprofit school of nursing for scholarships to be awarded annually by such school to students thereof.

(b) The amount of the grant under subsection (a) for the fiscal year ending June 30, 1970, and the next fiscal year to each such school shall be equal to $2,000 multiplied by one-tenth of the number of full-time students of such school. For the fiscal year ending June 30, 1972, and for each of the three succeeding fiscal years, the grant under subsection (a) shall be such amount as may be necessary to enable such school to continue making payments under scholarship awards to students who initially received such awards out of grants made to the school for fiscal years ending prior to July 1, 1971.

(c) (1) Scholarships may be awarded by schools from grants under subsection (a)—

(A) only to individuals who have been accepted by them for enrollment, and individuals enrolled and in good standing, as full-time students, in the case of awards from such grants for the fiscal year ending June 30, 1970, and the next fiscal year; and

(B) only to individuals enrolled and in good standing as full-time students who initially received scholarship awards out of such grants for a fiscal year ending prior to July 1, 1971, in the case of awards from such grants for the fiscal year ending June 30, 1972, and each of the three succeeding fiscal years.

(2) Scholarships from grants under subsection (a) for any school year shall be awarded only to students of exceptional financial need who need such financial assistance to pursue a course of study at the school for such year. Any such scholarship awarded for a school year shall cover such portion of the student's tuition, fees, books, equipment and living expenses at the school making the award, but not to exceed $1,500 for any year in the case of any student, as such school may determine the student needs for such year on the basis of his requirements and financial resources.

(d) Grants under subsection (a) shall be made in accordance with regulations prescribed by the Secretary after consultation with the National Advisory Council on Nurse Training.

(e) Grants under subsection (a) may be paid in advance or by way of reimbursement, and at such intervals as the Secretary may find necessary; and with appropriate adjustments on account of overpayments or underpayments previously made.

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[1] Pt. D added by sec. 8(b) of P.L. 89–751.

[2] Sec. 860 added by sec. 223(a) of P.L. 90–490, effective with respect to appropriations for fiscal years after June 30, 1969.

TRANSFERS TO STUDENT LOAN PROGRAM

Sec. 861.[1] Not to exceed 20 per centum of the amount paid to a school from the appropriation for any fiscal year for scholarships under this part, or such larger percentage thereof as the Secretary may approve for such school for such year, may be transferred to the sums available to the school under this part for (and to be regarded as) Federal capital contributions, to be used for the same purpose as such sums.

Sec. 862. [2]

CONTRACTS TO ENCOURAGE FULL UTILIZATION OF NURSING EDUCATIONAL TALENT

Sec. 868. (a) To assist in achieving the purposes of this part the Secretary is authorized (without regard to section 3709 of the Revised Statutes (41 U.S.C. 5)) to enter into contracts, not to exceed $100,000 per year, with State and local educational agencies and other public or nonprofit organizations and institutions for the purpose of—

(1) identifying qualified youths of exceptional financial need and encouraging them to complete secondary school and undertake post-secondary educational training in the field of nursing, or

(2) publicizing existing forms of financial aid for nursing students, including aid furnished under this part.

(b) There are hereby authorized to be appropriated such sums as may be necessary to carry out this section.

DEFINITION OF ACADEMIC YEAR

Sec. 869. As used in this part, the term "academic year" means an academic year or its equivalent as defined in regulations of the Secretary.

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[1] Sec. 861 amended by sec. 223(a) of P.L. 90–490, effective with respect to appropriations for fiscal years after June 30, 1969.

[2] Secs. 862–867 deleted by sec. 223(a) of P.L. 90–490, effective with respect to appropriations for fiscal years after June 30, 1969.

EXHIBIT B

REGULATIONS

Title 42 - Public Health
Chapter I
Subchapter D - Grants

Part 57 – Grants for Construction of Health Research Facilities, (including Mental Retardation Research Facilities), Teaching Facilities, Student Loans, Educational Improvement and Scholarships

Exhibit B–1 Subpart C – Health Professions Student Loans

Exhibit B–2 Subpart G – Scholarship Grants to Schools of Medicine, Osteopathy, Dentistry, Optometry, Podiatry, Pharmacy or Veterinary Medicine

Exhibit B–3 Subpart D – Nursing Student Loans

Exhibit B–4 Subpart J – Scholarship Grants to Schools of Nursing

EXHIBIT B–1

Title 42—PUBLIC HEALTH

Chapter I—Public Health Service, Department of Health, Education, and Welfare

SUBCHAPTER D—GRANTS

PART 57—GRANTS FOR CONSTRUCTION OF HEALTH RESEARCH FACILITIES (INCLUDING MENTAL RETARDATION RESEARCH FACILITIES), TEACHING FACILITIES, STUDENT LOANS, EDUCATIONAL IMPROVEMENT AND SCHOLARSHIPS

Subpart C—Health Professions Student Loans

Sec.

57.201 Definitions.
57.202 Eligibility of schools.
57.203 Application by school.
57.204 Agreements for Federal Capital Contributions and Federal Capital Loans.
57.205 Allotment and payment of Federal Capital Contributions and Federal Capital Loans.
57.206 Federal Capital Loan Promissory Note.
57.207 Health Professions Student Loan Funds.
57.208 Nondiscrimination.
57.209 Eligibility and selection of student loan recipients.
57.210 Maximum amount of student loan.
57.211 Evidence of student indebtedness—promissory note; security.
57.212 Payment of student loans.
57.213 Repayment and collection of student loans.
57.214 Provisions for student loan cancellations.
57.215 Records, reports, inspection.
57.216 Noncompliance.

§ 57.201 Definitions.

As used in this subpart, the following terms shall have the following meanings:

(a) *Act.* The Public Health Service Act, as amended.

(b) *Secretary.* The Secretary of Health, Education, and Welfare or any other officer or employee of the Department of Health, Education, and Welfare to whom the authority involved may be delegated.

(c) *School.* A public or other nonprofit school of medicine, dentistry, osteopathy, optometry, podiatry, pharmacy, or veterinary medicine which provides a course of study, or a portion thereof, which leads respectively to a degree of Doctor of Medicine, Doctor of Dental Surgery or an equivalent degree, Doctor of Osteopathy, Doctor of Optometry or an equivalent degree, Doctor of Podiatry or an equivalent degree, Bachelor of Science in pharmacy or an equivalent degree, or Doctor of Veterinary Medicine or an equivalent degree, and which is accredited as provided in section 721(b)(1)(B) of the Act.

(d) *State.* A State or the District of Columbia, Puerto Rico, or the Virgin Islands.

(e) *Health Professions Student Loan Funds or Funds.* A fund established at a school pursuant to Part C of Title VII of the Act, either with Federal Capital Contributions together with Institutional Capital Contributions, or with Federal Capital Loans. Where a school receives monies from both methods of payment, reference is made to Funds.

(f) *Federal Capital Contribution.* The capital portion allotted by the Secretary to a school for deposit in a Health Professions Student Loan Fund pursuant to section 742 of the Act.

(g) *Institutional Capital Contributions.* The money provided by a school, in an amount not less than one-ninth of the Federal Capital Contribution, and deposited in a Health Professions Student Loan Fund.

(h) *Federal Capital Loan.* A loan made by the Secretary to a school pursuant to section 744(a) of the Act, the proceeds of which are to be deposited by such school in a Health Professions Student Loan Fund.

(i) *Student Loan.* The amount of money advanced to a student by a school from a Health Professions Student Loan Fund under a single, properly executed promissory note.

(j) *Full-time students.* A student who is enrolled in a school and pursuing a course of study which constitutes a full-time academic workload, as determined by the school, leading to a degree specified in §57. 201(c). A student who pursues a course of study leading to such degree on a part-time basis (less than a full-time academic workload) is not eligible to receive a Health Professions Student Loan.

(k) *Ceases to be a full-time student.* A student shall be considered to have ceased to be a full-time student upon the first day of the month which is nearest to the date upon which he ceases to be a full-time student as defined herein.

(l) *Academic year.* The traditional, approximately 9–month September to June annual session. For the purpose of computing academic year equivalents for students who, during a 12–month period, attend for a longer period than the traditional academic year, the academic year will be considered to be of 9 months' duration.

(m) *Fiscal year.* The Federal fiscal year commencing on the first day of July and ending on the 30th day of June.

(n) *Permanently and totally disabled.* The inability to engage in any substantial gainful activity because of medically determinable impairment, which impairment is expected to continue for a long and indefinite period of time, or to result in death.

(o) *Uniformed service.* The Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, and the Public Health Service.

(p) *National of the United States.* (1) A citizen of the United States or (2) a person who, though not a citizen of the United States, owes permanent allegiance to the United States (8 U.S.C. 1101(a)(22)).

§ 57.202 Eligibility of schools.

To be eligible for a Federal Capital Contribution or a Federal Capital Loan under this subpart, the applicant school shall:

(a) Meet the applicable requirements of sections 740(a) and 744(a) of the Act; and

(b) Submit an application as required by § 57.203.

§ 57.203 Application by school.

(a) Each school desiring a Federal Capital Contribution or a Federal Capital Loan under the Act shall submit an application in such form and at such time as the Secretary may require. The application shall be executed by an official authorized to act for the applicant school and to assume on behalf of the applicant school the obligations imposed by the terms and conditions of any Federal Capital Contribution or Federal Capital Loan, including the regulations of this subpart.

(b) Each application shall be reviewed to determine institutional eligibility and the reasonableness of the amount of Federal support requested. When necessary to these ends, the Secretary may require the submission of additional data.

§ 57.204 Agreements for Federal Capital Contributions and Federal Capital Loans.

(a) *Federal Capital Contribution Agreements.* No application for a Federal Capital Contribution shall be approved unless there is in effect an agreement between the Secretary and the applicant school for Federal Capital Contributions pursuant to section 740 of the Act.

(b) *Federal Capital Loan Agreements.* No application for a Federal Capital Loan shall be approved unless there is in effect an agreement between the Secretary and the applicant school for Federal Capital Loans containing the terms required by section 744(b) of the Act and such additional terms and conditions, consistent with the applicable provisions of section 740 of the Act, as the Secretary deems appropriate.

§ 57.205 Allotment and payment of Federal Capital Contributions and Federal Capital Loans.

(a) *Annual allotment.* At a time determined by him, the Secretary shall make allotments to each school with which he has entered into an agreement pursuant to § 57.204. If the total of the amounts requested for any fiscal year by all schools for Federal Capital Contributions and Federal Capital Loans exceeds the amount of Federal funds determined by the Secretary at the time of such allotment to be available for such purposes for such fiscal year, the allotment to each such school, whether in the form of Federal Capital Contributions or Federal Capital Loans or a combination of both, shall be reduced to whichever of the following is the smaller: (1) The amount requested in the application or (2) an amount which bears the same ratio to the total amount of Federal funds determined by the Secretary at the time of such allotment to be available for such fiscal year for the Health Professions Student Loan Program as the number of full-time students estimated by the Secretary to be enrolled in such school bears to the estimated total number of full-time students in all such schools during such year. Amounts remaining after such allotment shall be reallotted in accordance with subparagraph (2) of this paragraph among schools whose applications requested more than the amounts so allotted to them, but with such adjustments as may be necessary to prevent the total allotted to any school from exceeding the total requested by it.

(b) *Supplementary allotment from revolving fund only.* From funds which become available during any fiscal year for payment to schools from the revolving fund established by section 744(a) of the Act after the allotments pursuant to paragraph (a) of this section for such fiscal year have been made, the Secretary may, in his discretion and at such time as he shall determine, make supplementary allotments to schools with which he has Federal Capital Loan Agreements and whose requests for funds for such fiscal year exceed the amounts allotted to them pursuant to paragraph (a). If the total need for supplementary funds exceeds the amounts determined by the Secretary to be available for supplementary allotments, the supplementary allotment to each school shall be reduced to whichever of the following is the smaller: (1) The supplementary amount requested or (2) an amount which bears the same ratio to the amount determined by the Secretary to be available for supplementary allotment as the number of full-time students estimated by the Secretary to be enrolled in such school bears to the estimated total number of full-time students enrolled for such year in all schools which request supplementary allotments. Any amounts remaining after such supplementary allotment may be allotted among schools in such manner as the Secretary determines will best carry out the purposes of the Act.

(c) *Payment.* The allotment of Federal Capital Contributions and/or Federal Capital Loans to a school shall be paid in such amounts, at such times, and in such installments as will not result in unnecessary accumulation of money in any Health Professions Student Loan Fund.

§ 57.206 Federal Capital Loan Promissory Note.

Each Federal Capital Loan shall be made subject to the terms of a promissory note which shall be executed by an authorized official on behalf of the borrowing school. Each such note shall include such terms with respect to the payment of interest and the repayment of principal as are consistent with the provisions of section 744 of the Act, and shall include such other terms as the Secretary finds reasonably necessary to protect the financial interests of the United States and to promote the purposes of the Act.

§ 57.207 Health Professions Student Loan Funds.

(a) *Funds established with Federal Capital Contributions.* Any fund established by a school with Federal Capital Contributions shall be deposited and carried in a special account of such school. There shall be in such fund at all times monies representing the Institutional Capital Contribution, equal to at least one-ninth of the amount of the balance of the Federal Capital Contributions in such fund.

(1) Except for funds transferred as provided for in subparagraph (2) of this paragraph, such fund shall be used by such school only for (i) loans to students; (ii) capital distribution as provided in section 743 of the Act or as agreed to by the school and the Secretary; and (iii) costs of litigation arising in connection with the collection of an obligation to such fund and interest thereon.

(2) Not to exceed 20 per centum of the amount paid to any such school from the appropriation for any fiscal year for Federal Capital Contributions may be transferred to the sums available to the school for scholarship awards under section 780 of the Act, to be used for the same purpose as such sums: *Provided, however*, That where the Secretary finds in a particular case that a school has demonstrated an unusual need for scholarship funds, he may approve the transfer of an amount in excess of 20 per centum of the amount so paid. In the case of any transfer pursuant to this subparagraph, the proportionate amount of the

Institutional Capital Contribution (i.e., one-ninth of the amount so transferred) may be withdrawn by the school from such fund.

(b) *Funds established with Federal Capital Loans.* Any fund established by a school with Federal Capital Loans shall be deposited and carried in a special account of such school, and shall be used by such school only for (1) loans to students; (2) repayments of principal and interest on Federal Capital Loans; and (3) costs of litigation arising in connection with the collection of any obligation to such fund and interest thereon.

§ 57.208 Nondiscrimination.

(a) No eligible applicant shall be denied a student loan on the ground of sex or creed.

(b) Attention is called to the requirements of Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d; 78 Stat. 252), which provides that no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. A regulation implementing such title VI, which is applicable to Federal Capital Contributions and Federal Capital Loans made under Part C, Title VII of the Act, has been issued by the Secretary of Health, Education, and Welfare with the approval of the President (45 CFR Part 80).

§ 57.209 Eligibility and selection of student loan recipients.

(a) *Eligibility.* Student loans from any fund may be made only to students who are:

(1) Nationals of the United States or who are in a State for other than temporary purposes and intend to become permanent residents of the United States;

(2) Enrolled, or accepted for enrollment, and in the school as full-time students; and

(3) In need of the amount of the loan to pursue a full-time course of study at the school.

(b) Selection of loan recipients and determination of need. It shall be the responsibility of the school to select qualified applicants and to make reasonable determinations of need. In determining whether a student is in need of a loan to pursue a full-time course of study at the school, the school shall take into consideration:

(1) The financial resources available to the student; and

(2) The costs reasonably necessary for the student's attendance at the school, including any special needs and obligations which directly affect the student's ability to attend the school on a full-time basis.

(c) *Records of approval or disapproval.* The records of the school shall indicate the basis for approval or disapproval of all or any part of each student application for a loan.

§ 57.210 Maximum amount of student loan.

The total of the loans made from the fund or funds to any student for an academic year may not exceed $2,500. The maximum amount loaned during a 12-month period to any student enrolled in a school which provides a course of study longer than the 9-month academic year may be proportionately increased.

§ 57.211 Evidence of student indebtedness – promissory note; security.

(a) *Evidence of indebtedness – promissory note.* Each loan to a student from any fund or funds shall be evidenced by a promissory note, executed by the student borrower in such form as shall be approved by the Secretary.

(1) Any substantive deviations from the promissory note form so approved shall be made only pursuant to approval by the Secretary prior to the making of any loan evidenced thereby, except that a school which elects to require security or endorsement in cases permitted under paragraph (b) of this section may include a provision reflecting such election without prior approval.

(2) With respect to student loans made after June 30, 1969, each promissory note shall include a provision stating that the loan evidenced thereby shall bear interest, on the unpaid balance of such loan, computed only for periods for which the loan is repayable, at the rate of 3 percent per year.

(3) A copy of each executed note shall be supplied by the school to the student maker thereof.

(b) *Security.* Neither security nor endorsement shall be required except that if the borrower is a minor and if under the applicable State law the note executed by him would not create a binding obligation, then the school is permitted to require security or endorsement.

§ 57.212 Payment of student loans.

(a) Loans from any Fund or Funds shall be paid to student borrowers in such installments as are deemed appropriate by the school, except that no borrower may receive more during any given installment period (e.g., semester, term, or quarter) than he needs for such period.

(b) No payment shall be made from any Fund to any student borrower if at the time of such payment such borrower is not a full-time student as defined in §57.201 (j).

§ 57.213 Repayment and collection of student loans.

(a) *Repayment of student loans.* Subject to the provisions of this paragraph any student loan made after June 30, 1969, including interest accrued thereon, shall be repayable in equal or graduated periodic installments in amounts calculated on the basis of a 10-year repayment period. Except as otherwise provided in this paragraph, repayment shall begin 1 year after the student ceases to be a full-time student.

(1) When a borrower, within such 1-year period, reenters the same or another school as a full-time student, the date upon which interest accrual and the repayment period begin shall be related to and determined by the date on which he last ceases to be a full-time student at any school.

(2) Repayment of the loan shall be suspended, and interest thereon shall not accrue, during (i) all periods of up to a total of 3 years of active duty performed by the borrower as a member of a uniformed service; (ii) all periods of up to a total of 3 years of service as a volunteer

under the Peace Corps Act; and (iii) all periods of up to a total of 5 years of advanced professional training. With respect to student loans made before July 1, 1969, all periods up to a total of 5 years of advanced professional training after June 30, 1969, may be excluded from such repayment period where so agreed by the school which made the loan and the Secretary: *Provided,* That in no such case may the total of the periods of advanced professional training so excluded from the repayment period and the period between the date on which the borrower ceases to be a full-time student and the date on which, under the terms of the promissory note evidencing such loan, the repayment period is to begin, exceed 6 years. For purposes of this subdivision, advanced professional training shall include only *(a)* internship and residency programs or *(b)* full-time training beyond the first professional degree of at least 1 academic year which is provided by an accredited institution or an affiliate thereof, and which will advance the borrower's knowledge of and strengthen his skills in the health profession for the study of which he received the loan.

(3) Each student borrower may (subject to the provisions of subparagraph (b)(3) of this section) choose the repayment schedule which he prefers from those in use by the school and approved by the Secretary, but a student borrower may, at his option and without penalty, prepay all or part of the principal and accrued interest at any time.

(b) *Collection of student loans.*

(1) Each school at which a fund is established shall exercise due diligence in the collection of all loans due the fund. The school shall use such collection practices as are generally accepted among institutions of higher education and which are at least as extensive and effective as those used in the collection of other student loan accounts due the school.

(2) With respect to any student loan made after June 30, 1969, the school may assess a charge for failure of the borrower to pay all or any part of an installment when it is due, and, in the case of a borrower who is entitled to deferment benefits under section 741(c) of the Act or cancellation benefits under section 741(f) of the Act, for any failure to file timely and satisfactory evidence of such entitlement. The amount of such charge may not exceed $1 for the first month or part of a month by which such installment or evidence is late and $2 for each such month or part of a month thereafter. The school may elect to add the amount of such charge to the principal amount of the loan as of the first day after the day on which such installment or evidence was due, or to make the amount of the charge payable to the school not later than the due date of the next installment after receipt by the borrower of notice of the assessment of the charge.

(3) With respect to any student loan made after June 30, 1969, the school may provide that during the repayment period of a loan, payments of principal and interest by the borrower with respect to all the outstanding loans made to him from any Health Professions Student Loan Fund shall be at a rate equal to not less than $15 per month.

§ 57.214 Provisions for student loan cancellations.

(a) *Permanent and total disability.* Determinations as to whether or not a student borrower is entitled to a cancellation of indebtedness in accordance with section 741(d) of the Act on the basis of permanent and total disability shall be made by the Secretary on the recommendation of the school to whose fund the borrower is indebted, supported by such medical certifications as the Secretary may require relating to the borrower's disability.

(b) *Death.* The determination as to whether or not a student borrower is entitled to a cancellation of indebtedness in accordance with section 741(d) of the Act because of the death of the borrower shall be made by the school to which the borrower is indebted on the basis of a certificate of death or such other offical proof as is conclusive under State law.

(c) *Practicing in a shortage area.* (1) Subject to the provisions of section 741(f) of the Act and of this paragraph any person who obtained one or more loans from a fund or funds established under Part C of Title VII of the Act and who engages in the practice of medicine, dentistry, optometry, or osteopathy in an area having a shortage of and need for physicians, dentists, or optometrists, and whose practice is certified by the State health authority (as designated for purposes of section 314(d) of the Public Health Service Act) as helping to meet the shortage of and need for such professional services, shall be entitled, upon compliance with the statute, regulations, and instructions, to have a portion of such loans canceled as follows: 10 per centum of the total of such loans (plus accrued interest on such amount) which is unpaid as of the date that such person's professional services begin in such area, for each year of such practice thereafter, up to 50 per centum of the total of such unpaid amount, plus accrued interest thereon.

(2) For purposes of subparagraph (1) of this paragraph, the State health authority may designate as areas in the State in which there is a shortage of and need for physicians, dentists, or optometrists any county (or established comparable political subdivision in those States in which there are no counties) in which the ratio of practicing physicians, dentists, or optometrists, respectively, to the most recent available estimated population in the county is lower than the following ratios:

Physicians (M.D. and D.O.)	1:1,500
Dentists	1:3,000
Optometrists	1:15,000

Provided, That the State health authority may, with the approval of the Secretary, designate as shortage areas: (i) Geographical areas other than counties where he finds that the use of another classification of areas of the State will better reflect the health manpower needs of the State as related to particular administrative, geographical, or other factors, and (ii) those counties or other geographical areas in which the ratio of such professional personnel to population is equal to or greater than the ratios specified above in special circumstances such as *(a)* inaccessibility of medical services to the residents of the area, *(b)* age or incapacity of professionals rendering service, and *(c)* particular local health problems.

(3) For purposes of subparagraph (1) of this paragraph, in determining whether the practice of a physician, dentist, or optometrist in a shortage area helps to meet the shortage of and need for such professional services in the area, the State health authority shall take into consideration the amount of time which the practitioner devotes to serving the health needs of persons living in the area; the extent to which his services are generally available to residents of the area; and such other factors as will permit the State health authority to determine that the physician, dentist, or optometrist is substantially helping to meet the shortage of and need for professional services for residents of the area.

(4) For purposes of subparagraph (1) of this paragraph, a year of practice in a shortage area means any 12-month period of continuous practice (i) after the date the person begins practice in such area if the area is at that time designated as an area in which there is a shortage of and need for physicians, dentists, or optometrists, or (ii) after the date the area is designated a shortage area if the area was so designated subsequent to the date that such person began practicing in such area: *Provided,* That, when an area's designation is changed, after a practitioner would otherwise be eligible for cancellation of a portion of his loan by practicing in such area, so that such area is no longer a shortage area, such change in designation shall not affect the eligibility of such practitioner to have a portion of his loan canceled for any year in which he continues to practice his profession in such area.

(5) For the purposes of subparagraph (1) of this paragraph, the State health authority shall certify to the Secretary in such form and at such times as the Secretary may prescribe: (i) The areas of his State which he has determined to be shortage areas and (ii) the names of loan recipients whose practice in such areas he has determined helps to meet the shortage of and need for physicians, dentists, or optometrists in the designated area in accordance with the criteria prescribed in this paragraph.

(d) *Practicing in a rural shortage area characterized by low family income.* (1) Subject to the provisions of section 741(f) of the Act and of this paragraph, any person who obtained one or more loans from a fund or funds established under Part C of Title VII of the Act and who engages in the practice of medicine, dentistry, optometry, or osteopathy in an area which has been determined by the Secretary pursuant to this paragraph to be a rural shortage area characterized by low family income, and whose practice is certified by the State health authority pursuant to paragraph (c) of this section as helping to meet the shortage of and need for such professional services, shall be entitled, upon compliance with the statute, regulations, and instructions, to have a portion of such loans canceled as follows: 15 per centum of the total of such loans (plus accrued interest on such amount) which is unpaid as of the date that such person's professional services begin in such area, for each year of such practice thereafter, up to 100 per centum of the total of such unpaid amount (plus accrued interest thereon).

(2) For purposes of subparagraph (1) of this paragraph, the Secretary, after consultation with the appropriate State health authority, may determine an area to be a rural shortage area characterized by

low family income if the area has been designated as a shortage area pursuant to paragraph (c) of this section and is an area in which (i) at least 50 per centum of the total population is rural (as determined in accordance with the most recent available data of the U.S. Bureau of the Census), or there is no municipality of more than 10,000 population, and (ii) at least 35 per centum of the population has a family income of less than $3,000 (as determined in accordance with the most recent available data of the U.S. Bureau of the Census).

§ 57.215 Records, reports, inspection.

(a) *Records and reports.* Each Federal Capital Contribution and Federal Capital Loan shall be subject to the condition that the school shall maintain such records, and file with the Secretary such reports relating to its Health Professions Student Loan Fund or Funds, as the Secretary may find necessary to carry out the purposes of the Act and the regulations. Where any school has both a fund established with Federal Capital Contributions and a fund established with Federal Capital Loans, records shall be kept separately for each fund. All records shall be retained until such time as agreed upon with the Secretary that there is no further need for retention.

(b) *Inspection and audit.* Any application for a Federal Capital Contribution or a Federal Capital Loan shall constitute the consent of the applicant school to inspection and fiscal audit, by persons designated by the Secretary, of the fiscal and other records of the applicant school which relate to such Contribution or Loan.

§ 57.216 Noncompliance.

Whenever the Secretary finds that a participating school has failed to comply with the Act or the regulations of this subpart, he may, on reasonable notice to the school, withhold further payments of Federal Capital Contributions or Federal Capital Loans, and take such other action, including the termination of any agreement, as he finds necessary to carry out the purposes of the Act and regulations. In such case no further expenditures shall be made from the Health Professions Student Loan Fund or Funds involved until the Secretary determines that there is no longer any such failure of compliance.

AUTHORITY: The provisions of this Subpart C issued under secs. 215, 741, Public Health Service Act as amended, 58 Stat. 690, 82 Stat. 778, 42 U.S.C. 216, 294a.

Dated: November 14, 1969.

ROBERT Q. MARSTON,
Director,
National Institutes of Health.

Approved: December 30, 1969.

ROBERT H. FINCH,
Secretary.

(Incorporates amendments through January 6, 1970.)

EXHIBIT B–2

Title 42—PUBLIC HEALTH

Chapter I—Public Health Service, Department of Health, Education, and Welfare

SUBCHAPTER D—GRANTS

PART 57—GRANTS FOR CONSTRUCTION OF HEALTH RESEARCH FACILITIES (INCLUDING MENTAL RETARDATION RESEARCH FACILITIES), TEACHING FACILITIES, STUDENT LOANS, EDUCATIONAL IMPROVEMENT AND SCHOLARSHIPS

Subpart G—Scholarship Grants to Schools of Medicine, Osteopathy, Dentistry, Optometry, Podiatry, Pharmacy or Veterinary Medicine

Notice of proposed rule making, public rule-making procedures, and postponement of effective date have been omitted in the issuance of the following revised Subpart G—Scholarship Grants to Schools of Medicine, Osteopathy, Dentistry, Optometry, Podiatry, Pharmacy, or Veterinary Medicine.

The purpose of the revision of Subpart G is to implement the amendments made to section 780 of the Public Health Service Act by Public Law 90–490 (82 Stat. 779), including the addition of schools of veterinary medicine as eligible grantees, the change in eligibility requirements so that scholarships may be awarded only to students of exceptional financial need who need such assistance to pursue a course of study at the school for such year, and the amendment which permits a school to transfer to its Federal Capital Contribution Fund up to 20 percent (or a higher percentage with the approval of the Secretary) of the amount paid to it from appropriations for any fiscal year for scholarships; and to make certain other miscellaneous amendments.

The following revised Subpart G shall become effective upon the date of publication in the FEDERAL REGISTER, but only with respect to grants made under section 780 of the Public Health Service Act as amended (42 U.S.C. 295g) from appropriations for fiscal years ending after June 30. 1969.

Part 57 is amended as follows:

Subject G is revised to read as follows:

Subpart G—Scholarship Grants to Schools of Medicine, Osteopathy, Dentistry, Optometry, Podiatry, Pharmacy, or Veterinary Medicine

Sec.

57.601 Definitions.
57.602 Eligibility of schools.
57.603 Application by school.
57.604 Grant award; determination of number of students.
57.605 Use of funds.
57.606 Nondiscrimination.
57.607 Eligibility and selection of scholarship recipients.
57.608 Maximum amount of scholarship award.
57.609 Payment of scholarship award.
57.610 Records, reports, inspection.
57.611 Noncompliance.

AUTHORITY: The provisions of this Subpart G issued under sec. 780(d), Public Health Service Act as amended, 79 Stat. 1056; 42 U.S.C. 295g(d).

§ 57.601 Definitions.

As used in this subpart, the following terms shall have the following meanings:

(a) *Act.* The Public Health Service Act, as amended.

(b) *Secretary.* The Secretary of Health, Education, and Welfare, or any other officer or employee of the Department of Health, Education, and Welfare to whom the authority involved may be delegated.

(c) *School.* A public or other nonprofit school of medicine, dentistry, osteopathy, optometry, podiatry, pharmacy, or veterinary medicine which provides a course of study, or a portion thereof, which leads respectively to a degree of Doctor of Medicine, Doctor of Dental Surgery or an equivalent degree, Doctor of Osteopathy, Doctor of Optometry or an equivalent degree, Doctor of Podiatry or an equivalent degree, Bachelor of Science in pharmacy or an equivalent degree, or Doctor of Veterinary Medicine or an equivalent degree, and which is accredited as provided in section 721(b)(1)(B) or section 773(b)(2) of the Act.

(d) *Scholarship or scholarship award.* The amount of money awarded to a student by a school as authorized by section 780(c) of the Act.

(e) *Scholarship grant.* A grant to a school for making scholarship awards as authorized by section 780(a) of the Act.

(f) *Full-time student.* A student who is enrolled in a school and pursuing a course of study which constitutes a full-time academic workload, as determined by the school, leading to a degree specified in § 57.601(c).

(g) *Fiscal year.* The Federal fiscal year beginning July 1 and ending on the following 30th day of June.

(h) *National of the United States.* (1) A citizen of the United States or (2) a person who, though not a citizen of the United States, owes permanent allegiance to the United States (8 U.S.C. 1101(a)(22)).

(i) *State.* A State or the District of Columbia, Puerto Rico, or the Virgin Islands.

§ 57.602 Eligibility of schools.

To be eligible for a scholarship grant under this subpart, the applicant school shall:

(a) Meet the applicable requirements of section 780(a) of the Act;

(b) Submit an application as required by § 57.603; and

(c) Be located in a State.

§ 57.603 Application by school.

Each school desiring a scholarship grant under the Act shall submit an application in such form and at such time as the Secretary may require. The application shall be executed by an official authorized to act for the applicant school and to assume on behalf of the applicant school the obligations imposed by the terms and conditions of any scholarship grant, including the regulations of this subpart.

§ 57.604 Grant award; determination of number of students.

(a) The Secretary shall award annually to each eligible school applying therefor a scholarship grant in an amount computed in accordance with section 780(b) of the Act. When the amount of funds available for any fiscal year is less than the total of the amounts so computed, the grant awarded to each participating school shall be reduced proportionately.

(b) For purposes of computing the amount of the scholarship grant to be awarded to any school for any fiscal year, the number of full-time students of such school shall be the number which the Secretary, on the basis of information relating to the school's past and anticipated enrollment, determines to be the number of such students to be enrolled in such school on October 15 of such year.

§ 57.605 Use of funds.

(a) *Scholarship awards.* Except for funds transferred as provided in paragraph (b) of this section, scholarship grant funds shall be obligated by the grantee school solely for awarding scholarships to students during the period specified in the grant award document. Any funds not so transferred, and not required to discharge such obligations, shall be returned to the Public Health Service.

(b) *Transfer of funds.* In the case of a school which has in operation a Health Professions Student Loan Fund established with Federal Capital Contributions pursuant to section 740 of the Act, not to exceed 20 per centum of the amount paid to a school from the appropriation for any fiscal year for scholarships under section 780 of the Act and this subpart, or such larger percentage thereof as the Secretary may approve for such school for such year, may be transferred to the sums available to the school for (and shall be regarded as) Federal Capital Contributions, to be used for the same purpose as such sums.

§ 57.606 Nondiscrimination.

(a) No eligible applicant shall be denied a scholarships on the ground of sex or creed.

(b) Attention is called to the requirements of Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d; 78 Stat. 252), which provides that no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. A regulation implementing such Title VI, which is applicable to grants made under this subpart, has been issued by the Secretary of Health, Education, and Welfare with the approval of the President (45 CFR Part 80).

§ 57.607 Eligibility and selection of scholarship recipients.

(a) *Eligibility.* Scholarships may be awarded with respect to any year only to students who are:

(1) Nationals of the United States or who are in a State for other than temporary purposes and intend to become permanent residents of the United States;

(2) Enrolled and in good standing, or accepted for enrollment, in the school as full-time students; and

(3) Of exceptional financial need who need such financial assistance to pursue a course of study at the school for such year.

(b) *Selection of scholarship recipients and determination of need.* It shall be the responsibility of the school to select qualified applicants and to make reasonable determinations of need.

(1) In determining whether a student is one of exceptional financial need who needs such financial assistance to pursue a course of study at the school for such year, the school shall take into consideration:

(i) The financial resources available to the student; and

(ii) The costs reasonably necessary for the student's attendance at the school, including any special needs and obligations which directly affect the student's ability to attend the school on a full-time basis.

(2) In making scholarship awards to students of exceptional financial need as determined pursuant to subparagraph (1) of this paragraph, a school may give priority to those students whose backgrounds are characterized by educational, cultural, or economic deprivation.

(c) *Records of approval or disapproval.* The records of the school shall indicate the basis for approval or disapproval of all or any part of each student application for a scholarship award.

§ 57.608 Maximum amount of scholarship award.

The amount of the scholarship award to any student shall not exceed the amount of such student's financial need, as determined by the school in accordance with § 57.607, and shall in no case exceed $2,500 for any 12-month period.

§ 57.609 Payment of scholarship award.

(a) Scholarship awards shall be paid to students in such installments as are deemed appropriate by the school, except that no scholarship recipient may receive more during any given installment period (e.g., semester, term, or quarter) than he needs for such period.

(b) No payment shall be made from any scholarship award to any student if at the time of such payment such student is not a full-time student as defined in § 57.601(f).

§ 57.610 Records, reports, inspection.

(a) *Records and reports.* Each scholarship grant shall be subject to the condition that the school shall maintain such records and file with the Secretary such reports relating to the use of scholarship grant funds as the Secretary may find necessary to carry out the purposes of the Act and the regulations. All records shall be maintained for a period of 5 years, or until audit by representatives of the Department of Health, Education, and Welfare has been completed and any questions arising therefrom have been resolved. whichever is sooner.

(b) *Inspection and audit.* Any application for a scholarship grant shall constitute the consent of the applicant school to inspection and fiscal audit, by persons designated by the Secretary, of the fiscal and other records of the applicant school which relate to the grant.

§ 57.611 Noncompliance.

Whenever the Secretary finds that a participating school has failed in a material respect to comply with the Act or the regulations of this subpart, he may, after reasonable notice, withhold further payments, and take such other action as he finds necessary to carry out the purposes of the Act and regulations. In such case no further expenditures shall be made by the school from the scholarship grant until the Secretary determines there is no longer any such failure of compliance.

Dated: May 19, 1969.

ROBERT Q. MARSTON,
Director,
National Institutes of Health.

Approved: June 24, 1969.

ROBERT H. FINCH,
Secretary.

[F.R. Doc. 69-7600; Filed, June 26, 1969; 8:47 a.m.]

EXHIBIT B–3

Title 42—PUBLIC HEALTH

Chapter I—Public Health Service, Department of Health, Education, and Welfare

SUBCHAPTER D—GRANTS

PART 57—GRANTS FOR CONSTRUCTION OF HEALTH RESEARCH FACILITIES (INCLUDING MENTAL RETARDATION RESEARCH FACILITIES), TEACHING FACILITIES, STUDENT LOANS, EDUCATIONAL IMPROVEMENT AND SCHOLARSHIPS

Subpart D is revised to read as follows:

Subpart D—Nursing Student Loans

Sec.

57.301 Definitions.
57.302 Eligibility of schools.
57.303 Application by school.
57.304 Agreements for Federal Capital Contributions and Federal Capital Loans.
57.305 Allotment and payment of Federal Capital Contributions and Federal Capital Loans.
57.306 Federal Capital Loan Promissory Note.
57.307 Nursing Student Loan Funds.
57.308 Nondiscrimination.
57.309 Eligibility and selection of student loan recipients.
57.310 Maximum amount of student loan.
57.311 Evidence of student indebtedness—promissory note; security.
57.312 Payment of student loans.
57.313 Repayment and collection of student loans.
57.314 Provisions for student loan cancellations.
57.315 Records, reports, inspection.
57.316 Noncompliance.

AUTHORITY: The provisions of this Subpart D issued under secs. 215, 823, Public Health Service Act as amended, 58 Stat. 690, 82 Stat. 783; 42 U S.C. 216, 297b.

§ 57.301 Definitions.

All terms not defined herein shall have the same meaning as given them in the Act. As used in this subpart, the following terms shall have the following meanings:

(a) *Act.* Title VIII of the Public Health Service Act, as amended.

(b) *Secretary.* The Secretary of Health, Education, and Welfare, or any other officer or employee to whom the authority involved has been delegated.

(c) *Nursing Student Loan Fund or Fund.* A fund established at a school pursuant to Part B of the Act, either with Federal Capital Contributions together with Institutional Capital Contributions, or with Federal Capital Loans. Where a school received monies from both sources of payment, reference is made to funds.

(d) *Federal Capital Contribution.* The capital portion allotted by the Secretary to a school for deposit in a Nursing Student Loan Fund pursuant to section 824 of the Act.

(e) *Institutional Capital Contribution.* The money provided by a school, in an amount not less than one-ninth of the Federal Capital Contribution, and deposited in a Nursing Student Loan Fund.

(f) *Federal Capital Loan.* A loan made by the Secretary to a school pursuant to section 827(a) of the Act; the proceeds of which are to be deposited in a Nursing Student Loan Fund.

(g) *Student loan.* The amount of money advanced to a student by a school from a Nursing Student Loan Fund under a single properly executed promissory note.

(h) *Full-time student.* A student who is enrolled in a school and pursuing a course of study which constitutes a full-time academic workload, as determined by the school, leading to a diploma in nursing, an associate degree in nursing or an equivalent degree, a baccalaureate degree in nursing or an equivalent degree, or an advanced degree in nursing.

(i) *Ceases to be a full-time student.* A student shall be considered to have ceased to be a full-time student upon the first day of the month which is nearest to the date upon which he ceases to be a full-time student as defined herein.

(j) *Academic year.* The traditional, approximately 9-month September to June annual session. For the purpose of computing academic year equivalents for students who, during a 12-month period, attend for a longer period than the traditional academic year, the academic year will be considered to be of 9 months' duration.

(k) *Fiscal year.* The Federal fiscal year commencing on the first day of July and ending on the 30th day of June.

(l) *Permanently and totally disabled.* The inability to engage in any substantial gainful activity because of medically determinable impairment, which impairment is expected to continue for a long and indefinite period of time, or to result in death.

(m) *Uniformed service.* The Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, and the Public Health Service.

(n) *National of the United States.* (1) A citizen of the United States or (2) a person who, though not a citizen of the United States, owes permanent allegiance to the United States (8 U.S.C. 1101(a)(22)).

§ 57.302 Eligibility of schools.

To be eligible for a Federal Capital Contribution or a Federal Capital Loan under this subpart, the applicant school shall:

(a) Meet the applicable requirements of sections 822(a) and 827(a) of the Act; and

(b) Submit an application as required by § 57.303.

§ 57.303 Application by school.

(a) Each school desiring a Federal Capital Contribution or a Federal Capital Loan under the Act shall submit an application in such form and at such time as the Secretary may require. The application shall be executed by an official authorized to act for the applicant school and to assume on behalf of the applicant school the obligations imposed by the terms and conditions of any Federal Capital Contribution or Federal Capital Loan, including the regulations of this subpart.

(b) Each application shall be reviewed to determine institutional eligibility and the reasonableness of the amount requested. When necessary to these ends, the Secretary may require the submission of additional data.

§ 57.304 Agreements for Federal Capital Contributions and Federal Capital Loans.

(a) *Federal Capital Contribution Agreements.* No application for a Federal Capital Contribution shall be approved unless there is in effect an Agreement between the Secretary and the applicant school for Federal Capital Contributions pursuant to section 822 of the Act.

(b) *Federal Capital Loan Agreements.* No application for a Federal Capital Loan shall be approved unless there is in effect an Agreement between the Secretary and the applicant school for Federal Capital Loans containing the terms required by section 827(b) of the Act and such additional terms and conditions, consistent with the applicable provisions of section 822 of the Act, as the Secretary deems appropriate.

§ 57.305 Allotment and payment of Federal Capital Contributions and Federal Capital Loans.

(a) *Annual allotment.* At a time determined by him, the Secretary shall make allotments to each school with which he has entered into an agreement pursuant to § 57.304. The allotment to each such school, whether in the form of Federal Capital Contributions or Federal Capital Loans or a combination of both, shall be an amount which bears the same ratio to the total amount of Federal funds determined by the Secretary at the time of such allotment to be available for such fiscal year for the Nursing Student Loan Program as the number of full-time students enrolled in such school bears to the estimated total number of full-time students in all such schools in all the States during such year.

(b) *Supplementary allotment from revolving fund only.* From funds which become available during any fiscal year for payment to schools from the revolving fund established by section 827(a) of the Act after the allotments pursuant to paragraph (a) of this section for such fiscal year have been made, the Secretary may, in his discretion and at such time as he shall determine, make supplementary allotments to schools with which he has Federal Capital Loan Agreements and who request funds for such fiscal year in excess of the amounts allotted to them pursuant to paragraph (a) of this section. If the total need for supplementary funds exceeds the amount determined by the Secretary to be available for supplementary allotments, the supplementary allotment to each school shall be reduced to whichever of the following is the smaller: (1) The supplementary amount requested or (2) an amount which bears the same ratio to the amount determined by the Secretary to be available for supplementary allotment as the number of full-time students estimated by the Secretary to be enrolled in such school bears to the estimated total number of full-time students enrolled for such year in all schools which request supplementary allotments. Any amounts remaining after such supplementary allotment may be allotted among schools in such manner as the Secretary determines will best carry out the purposes of the Act.

(c) *Payment.* The allotment of Federal Capital Contributions and/or Federal Capital Loans to a school shall be paid in such amounts, at such times, and in such installments as will not result in unnecessary accumulation of money in any Nursing Student Loan Fund.

§ 57.306 Federal Capital Loan Promissory Note.

Each Federal Capital Loan shall be made subject to the terms of a promissory note which shall be executed by an authorized official on behalf of the borrowing school. Each such note shall include such terms with respect to the payment of interest and the repayment of principal as are consistent with the provisions of section 827 of the Act, and shall include such other terms as the Secretary finds reasonably necessary to protect the financial interests of the United States and to promote the purposes of the Act.

§ 57.307 Nursing Student Loan Funds.

(a) *Funds established with Federal Capital Contributions.* Any fund established by a school with Federal Capital Contributions shall be deposited and carried in a special account of such school. There shall be in such fund at all times monies representing the Institutional Capital Contribution, equal to at least one-ninth of the amount of the balance of the Federal Capital Contributions in such fund.

(1) Except for funds transferred as provided for in subparagraph (2) of this paragraph, such fund shall be used by such school only for (i) loans to students; (ii) capital distribution as provided in section 826 of the Act or as agreed to by the school and the Secretary; and (iii) costs of litigation arising in connection with the collection of an obligation to such fund and interest thereon.

(2) Not to exceed 20 per centum of the amount paid to any such school from the appropriation for any fiscal year ending after June 30, 1969, for Federal Capital Contributions may be transferred to the

sums available to the school for scholarship awards under section 860 of the Act, to be used for the same purpose as such sums: *Provided, however,* That where the Secretary finds in a particular case that a school has demonstrated an unusual need for scholarship funds, he may approve the transfer of an amount in excess of 20 per centum of the amount so paid. In the case of any transfer pursuant to this subparagraph, the proportionate amount of the Institutional Capital Contribution (i.e., one-ninth of the amount so transferred) may be withdrawn by the school from such fund.

(b) *Funds established with Federal Capital Loans.* Any fund established by a school with Federal Capital Loans shall be deposited and carried in a special account of such school, and shall be used by such school only for (1) loans to students; (2) repayments of principal and interest on Federal Capital Loans, and (3) costs of litigation arising in connection with the collection of any obligation to such fund and interest thereon.

§ 57.308 Nondiscrimination.

(a) No eligible applicant shall be denied a student loan on the ground of sex or creed.

(b) Attention is called to the requirements of title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d; 78 Stat. 252), which provides that no person in the United States shall, on the ground of race, color or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. A regulation implementing such title VI, which is applicable to Federal Capital Contributions and Federal Capital Loans under the Act, has been issued by the Secretary of Health, Education, and Welfare with the approval of the President (45 CFR Part 80).

§ 57.309 Eligibility and selection of student loan recipients.

(a) *Eligibility.* Student loans from any fund may be made only to students who are:

(1) Nationals of the United States or who are in a State for other than temporary purposes and intend to become permanent residents of the United States, or permanent residents of the Trust Territory of the Pacific Islands;

(2) Enrolled, or accepted for enrollment, in the school as full-time students;

(3) In need of the amount of the loan to pursue a full-time course of study at the school; and

(4) Capable, in the opinion of the school, of maintaining good standing in such course of study.

(b) *Selection of loan recipients and determination of need.* It shall be the responsibility of the school to select qualified applicants and to make reasonable determinations of need.

(1) In selecting loan recipients, the school shall give preference to:

(i) Licensed practical nurses, and

(ii) Persons who enter the school as first-year students after enactment of the Act.

(2) In determining whether a student is in need of a loan to pursue a full-time course of study at the school, the school shall take into consideration:

(i) The financial resources available to the student, and

(ii) The costs reasonably necessary for the student's attendance at the school, including any special needs and obligations which directly affect the student's ability to attend the school on a full-time basis.

(c) *Records of approval or disapproval.* The records of the school shall indicate the basis for approval or disapproval of all or any part of each student application for a loan.

§ 57.310 Maximum amount of student loan.

(a) *Maximum per academic year.* The total of the loans made from a fund or funds to any student for an academic year beginning after June 30, 1969, may not exceed $1,500. The maximum amount loaned during a 12-month period beginning after June 30, 1969, to any student enrolled in a school which provides a course of study longer than the 9-month academic year may be proportionately increased.

(b) *Aggregate maximum.* The aggregate of loans for all years from a fund or funds may not exceed $6,000 in the case of any student.

§ 57.311 Evidence of student indebtedness—promissory note; security.

(a) *Evidence of indebtedness—promissory note.* Each loan to a student from any fund or funds shall be evidenced by a promissory note executed by the student borrower, in such form as shall be approved by the Secretary.

(1) Any substantive deviations from the promissory note form so approved shall be made only pursuant to approval by the Secretary prior to the making of any loan evidenced thereby, except that a school which elects to require security or endorsement in cases permitted under paragraph (b) of this section may include a provision reflecting such election without prior approval.

(2) With respect to all student loans made after June 30, 1969, each promissory note shall include a provision stating that the loan evidenced thereby shall bear interest, on the unpaid balance of such loan, computed only for periods during which repayment of the loan is required, at the rate of 3 percent per year.

(3) A copy of each executed note shall be supplied by the school to the student maker thereof.

(b) *Security.* Neither security nor endorsement shall be required except that if the borrower is a minor and if under the applicable State law the note executed by him would not create a binding obligation, then the school is permitted to require security or endorsement.

§ 57.312 Payment of student loans.

(a) Loans from any fund or funds shall be paid to student borrowers in such installments as are deemed appropriate by the school, except that no borrower may receive more during any given installment period (e.g., semester, term or quarter) than he needs for such period.

(b) No payment shall be made from any fund to any student borrower if at the time of such payment such borrower is not a full-time student as defined in § 57.301(h).

§ 57.313 Repayment and collection of student loans.

(a) *Repayment of student loans.* Subject to the provisions of this paragraph any student loan made after June 30, 1969, including interest accrued thereon, shall be repayable in equal or graduated periodic installments in amounts calculated on the basis of a 10-year repayment period. Except as otherwise provided in this paragraph, repayment shall begin 9 months after the student ceases to be a full-time student.

(1) When a borrower, within such 9-month period, reenters the same or another school of nursing as a full-time student, the date upon which interest accrual and the repayment period begin shall be related to and determined by the date on which he last ceases to be a full-time student at any such school.

(2) Repayment of the loan shall be suspended, and interest thereon shall not accrue, during

(i) All periods of up to 3 years of active duty performed by the borrower as a member of a uniformed service;

(ii) All periods of up to a total of 3 years of service as a volunteer under the Peace Corps Act; and

(iii) All periods up to a total of 5 years during which the borrower is pursuing a full-time course of study at a school leading to a baccalaureate degree in nursing or an equivalent degree, or to a graduate degree in nursing, or is otherwise pursuing advanced professional training in nursing. For purposes of this paragraph, "otherwise pursuing advanced professional training in nursing" shall include only full-time training, beyond the first diploma or degree in nursing received by the particular borrower, of at least one academic year which is provided by an accredited institution or an affiliate thereof, and which will advance the borrower's knowledge of and strengthen his skills in the provision of nursing services.

(3) With respect to student loans made before July 1, 1969, all periods specified in subparagraph (2) of this paragraph after June 30, 1968, may be excluded from such repayment period where so agreed by the school which made the loan and the Secretary: *Provided, however,*

(i) That in no such case may the total of the periods excluded from the repayment period pursuant to subdivision (i) or (ii) of subparagraph (2) of this paragraph and the period between the date on which the borrower ceases to be a full-time student and the date on which, under the terms of the promissory note evidencing such loan, the repayment period is to begin, exceed 3 years and 9 months; and

(ii) That in any such case all periods during which the borrower is pursuing a full-time course of study at a school leading to a baccalaureate degree in nursing or an equivalent degree, or to a graduate degree in nursing, shall be excluded from the repayment period, without limitation; and

(iii) That in no such case may the total of the periods excluded from the repayment period because the borrower is otherwise pursuing advanced professional training in nursing and the period between the date on which the borrower ceases to be a full-time student and the date on which, under the terms of the promissory note evidencing such loan, the repayment period is to begin, exceed 5 years and 9 months.

(4) Each student borrower may (subject to the provisions of subparagraph (3) of paragraph (b) of this section) choose the repayment schedule which he prefers from those in use by the school and approved by the Secretary, but a student borrower may, at his option and without penalty, prepay all or part of the principal and accrued interest at any time.

(b) *Collection of student loans.* (1) Each school at which a Fund is established shall exercise due diligence in the collection of all loans due the fund. The school shall use such collection practices as are generally accepted among institutions of higher education and which are at least as extensive and forceful as those used in the collection of other student loan accounts due the school.

(2) With respect to any student loan made after June 30, 1969, the school may assess a charge for failure of the borrower to pay all or part of an installment when it is due, and, in the case of a borrower who is entitled to deferment benefits under section 823(b)(2) of the Act or cancellation benefits under section 823(b)(3) of the Act, for any failure to file timely and satisfactory evidence of such entitlement. The amount of such charge may not exceed $1 for the first month or part of a month by which such installment of evidence is late and $2 for each such month or part of a month thereafter. The school may elect to add the amount of such charge to the principal amount of the loan as of the first day after the day on which such installment or evidence was due or to make the amount of the charge payable to the school not later than the due date of the next installment after receipt by the borrower of notice of the assessment of the charge.

(3) With respect to any student loan made after June 30, 1969, the school may provide that during the repayment period of a loan, payments of principal and interest by the borrower with respect to all the outstanding loans made to him from any Nursing Student Loan Fund shall be at a rate equal to not less than $15 per month.

§ 57.314 Provisions for student loan cancellations.

(a) *Permanent and total disability.* Determinations as to whether or not a student borrower is entitled to a cancellation of indebtedness in accordance with section 823(b)(4) of the Act on the basis of permanent and total disability shall be made by the Secretary on the recommendation of the school to whose fund the borrower is indebted, supported by such medical certifications as the Secretary may require relating to the borrower's disability.

(b) *Death.* The determination as to whether or not a student borrower is entitled to a cancellation of indebtedness in accordance with section 823(b)(4) of the Act because of the death of the borrower shall be made by the school to which the borrower is indebted on the basis of a certificate of death or such other official proof as is conclusive under State law.

(c) *Full-time employment as a professional nurse.* (1) Any person who obtained one or more loans from a fund or funds established under the Act and who engages in full-time employment as a professional nurse in any public or nonprofit private institution or agency shall be entitled, upon compliance with the statute, regulations, and instructions, to have a portion of such loans canceled as follows: Ten per centum of the total of such loans (plus accrued interest thereon) which is unpaid on the first day of such service, for each year of such service thereafter, up to 50 per centum of the total of such loans, plus accrued interest thereon.

(2) The determination of whether a borrower is entitled to have any portion of his loan canceled for such full-time employment as a professional nurse shall be made by the institution to whose fund such loan is payable, upon receipt and evaluation of an application for cancellation from such borrower.

(d) *Service in an area which has a substantial shortage of nurses.* (1) Subject to the provisions of section 823(b)(3) of the Act and of this paragraph, any person who obtained one or more loans from a fund or funds established under the Act and who engages in full-time employment as a professional nurse in a public or other nonprofit hospital in any area which has been determined by the Secretary pursuant to this paragraph to have a substantial shortage of nurses at such hospitals shall be entitled, upon compliance with the statute, regulations, and instructions, to have a portion of such loans cancelled as follows: Fifteen per centum of the total of such loans (plus accrued interest thereon) which is unpaid on the first day of such service, for each year of such service beginning after August 16, 1968, up to 100 per centum of the total of such loans, plus accrued interest thereon.

(2) An area shall be determined to have a substantial shortage of nurses if the number of registered nurse hours of service per patient day in the public or other nonprofit hospital serving such area is lower than the median number of registered nurse hours of service per patient day for all public or other nonprofit hospitals of its category in all States. For purposes of this paragraph, all public or other nonprofit hospitals in all States shall be grouped by the Secretary according to the following categories:

(i) Short-term general and allied special hospitals,

(ii) Psychiatric hospitals,

(iii) Tuberculosis hospitals,

(iv) Chronic and convalescent hospitals, and

(v) All other hospitals.

(3) For purposes of this paragraph, a year of service in a public or other nonprofit hospital means any 12-month period of continuous service (i) after the date the person begins service in such hospital if the area primarily served by the hospital is at that time designated as an area in which there is a substantial shortage of nurses, or (ii) after the date as of which the area is designated an area with a substantial shortage of nurses if the area was so designated subsequent to the date that such person began service in the hospital: *Provided,* That, when an area's designation is changed, after a borrower would otherwise be eligible for cancellation of a portion of his loan by serving in the hospital in such area, so that such area no longer has a substantial shortage of nurses, such change in designation shall not affect the eligibility of such borrower to have a portion of his loan canceled for any year in which he continues to serve as a nurse in the hospital in such area.

(4) The determination of whether a borrower is entitled to have a portion of his loan canceled in accordance with this paragraph shall be made by the institution to whose fund such loan is payable, upon receipt and evaluation of an application for cancellation from such borrower.

(5) All determinations of the Secretary pursuant to this paragraph shall be made on the basis of the latest reliable statistical data available to him.

§ 57.315 Records, reports, inspection.

(a) *Records and reports.* Each Federal Capital Contribution and Federal Capital Loan shall be subject to the condition that the school shall maintain such records, and file with the Secretary such reports relating to its Nursing Student Loan Fund or Funds, as the Secretary may find necessary to carry out the purposes of the Act and the regulations. Where any school has both a fund established with Federal Capital Contributions and a fund established with Federal Capital Loans, records shall be kept separately for each fund. All records shall be retained until such time as agreed upon with the Secretary that there is no further need for retention.

(b) *Inspection and audit.* Any application for a Federal Capital Contribution or a Federal Capital Loan shall constitute the consent of the applicant school to inspection and fiscal audit, by persons designated by the Secretary, of the fiscal and other records of the applicant school which relate to such contribution or loan.

§ 57.316 Noncompliance.

Whenever the Secretary finds that a participating school has failed in a material respect to comply with the Act or the regulations of this subpart he may, on reasonable notice to the school, withhold further payments of Federal Capital Contributions or Federal Capital Loans, and take such other action, including the termination of any agreement, as he finds appropriate to carry out the purposes of the Act and regulations. In such case no further expenditures shall be made from the Nursing Student Loan Fund or Funds involved until the Secretary determines that there is no longer any such failure of compliance.

Dated: March 12, 1970.

ROBERT Q. MARSTON,
Director,
National Institutes of Health.

Approved: May 26, 1970.

ROBERT H. FINCH,
Secretary.

(Reprinted from *Federal Register*, June 2, 1970)

EXHIBIT B–4

Title 42—PUBLIC HEALTH

Chapter I—Public Health Service, Department of Health, Education, and Welfare

SUBCHAPTER D—GRANTS

PART 57—GRANTS FOR CONSTRUCTION OF HEALTH RESEARCH FACILITIES (INCLUDING MENTAL RETARDATION RESEARCH FACILITIES), TEACHING FACILITIES, STUDENT LOANS, EDUCATIONAL IMPROVEMENT AND SCHOLARSHIPS

Subpart J—Scholarship Grants to Schools of Nursing

Notice of proposed rule making, public rule-making procedures, and postponement of effective date have been omitted in the issuance of the followingnew Subpart J—Scholarship Grants to Schools of Nursing, which relate solely to grants.

The purpose of the new Subpart J is to implement the provisions of Public Law 90–490 (82 Stat. 785) authorizing a new program of scholarship grants to schools of nursing.

The following new Subpart J shall become effective upon the date of publication in the FEDERAL REGISTER.

Part 57 is amended as follows:

A new Subpart J is added as follows:

Subpart J—Scholarship Grants to Schools of Nursing

Sec.
57.901 Definitions.
57.902 Eligibility of schools.
57.903 Application by school.
57.904 Grant award; determination of number of students.
57.905 Use of funds.
57.906 Nondiscrimination.
57.907 Eligibility and selection of scholarship recipients.
57.908 Maximum amount of scholarship award.
57.909 Payment of scholarship award.
57.910 Records, reports, inspection.
57.911 Noncompliance.

AUTHORITY: The provisions of this Subpart J issued under sec. 860(d), Public Health Service Act as amended, 82 Stat. 786; 42 U.S.C. 298c(d).

§ 57.901 Definitions.

As used in this subpart, the following terms shall have the following meanings:

(a) *Act.* The Public Health Service Act, as amended.

(b) *Secretary.* The Secretary of Health, Education, and Welfare, or any other officer or employee of the Department of Health, Education, and Welfare to whom the authority involved may be delegated.

(c) *School.* A public or other nonprofit school of nursing as defined in section 843 of the Act.

(d) *Scholarship or scholarship award.* The amount of money awarded to a student by a school as authorized by section 860(c) of the Act.

(e) *Scholarship grant.* A grant to a school for making scholarship awards as authorized by section 860(a) of the Act.

(f) *Full-time student.* A student who is enrolled in a school and pursuing a course of study which constitutes a full-time academic workload, as determined by the school, leading to a diploma in nursing, an associate degree in nursing, a baccalaureate degree in nursing or an equivalent degree, or a graduate degree in nursing.

(g) *Fiscal year.* The Federal fiscal year beginning July 1 and ending on the following 30th day of June.

(h) *National of the United States.* (1) A citizen of the United States or (2) a person who, though not a citizen of the United States, owes permanent allegiance to the United States (8 U.S.C. 1101(a)(22)).

(i) *State.* A State, the District of Columbia, Puerto Rico, the Virgin Islands, the Canal Zone, Guam, American Samoa, or the Trust Territory of the Pacific Islands.

§ 57.902 Eligibility of schools.

To be eligible for a scholarship grant under this subpart, the applicant school shall:

(a) Meet the applicable requirements of section 860(a) of the Act;

(b) Submit an application as required by § 57.903; and

(c) Be located in a State.

§ 57.903 Application by school.

Each school desiring a scholarship grant under the Act shall submit an application in such form and at such time as the Secretary may require. The application shall be executed by an official authorized to act for the applicant school and to assume on behalf of the applicant school the obligations imposed by the terms and conditions of any scholarship grant, including the regulations of this subpart.

§ 57.904 Grant award; determination of number of students.

(a) The Secretary shall award annually to each eligible school applying therefor a scholarship grant in an amount computed in accordance with section 860(b) of the Act. When the amount of funds available for any fiscal year is less than the total of the amounts so computed, the grant awarded to each participating school shall be reduced proportionately.

(b) For purposes of computing the amount of the scholarship grant to be awarded to any school for any fiscal year, the number of full-time students of such school shall be the number which the Secretary, on the basis of information relating to the school's past and anticipated enrollment, determines to be the number of such students to be enrolled in such school on October 15 of such year.

§ 57.905 Use of funds.

(a) *Scholarship awards.* Except for funds transferred as provided in paragraph (b) of this section, scholarship grant funds shall be obligated by the grantee school solely for awarding scholarships to students during the period specified in the grant award document. Any funds not so transferred, and not required to discharge such obligations, shall be returned to the Public Health Service.

(b) *Transfer of funds.* In the case of a school which has in operation a Nursing Student Loan Fund established with Federal Capital Contributions pursuant to section 822 of the Act, not to exceed 20 per centum of the amount paid to a school from the appropriation for any fiscal year for scholarships under section 860 of the Act and this subpart, or such larger percentage thereof as the Secretary may approve for such school for such year, may be transferred to the sums available to the school for (and shall be regarded as) Federal Capital Contributions, to be used for the same purpose as such sums.

§ 57.906 Nondiscrimination.

(a) No eligible applicant shall be denied a scholarship on the ground of sex or creed.

(b) Attention is called to the requirements of Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d; 78 Stat. 252), which provides that no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. A regulation implementing such Title VI, which is applicable to grants made under this subpart, has been issued by the Secretary of Health, Education, and Welfare with the approval of the President (45 CFR Part 80).

§ 57.907 Eligibility and selection of scholarship recipients.

(a) *Eligibility.* Scholarships may be awarded with respect to any year only to students who are:

(1) Nationals of the United States or who are in a State for other than temporary purposes and intend to become permanent residents of the United States;

(2) Enrolled and in good standing, or accepted for enrollment, in the school as full-time students; and

(3) Of exceptional financial need who need such financial assistance to pursue a course of study at the school for such year.

(b) *Selection of scholarship recipients and determination of need.* It shall be the responsibility of the school to select qualified applicants and to make reasonable determinations of need.

(1) In determining whether a student is one of exceptional financial need who needs such financial assistance to pursue a course of study at the school for such year, the school shall take into consideration:

(i) The financial resources available to the student; and

(ii) The costs reasonably necessary for the student's attendance at the school, including any special needs and obligations which directly affect the student's ability to attend the school on a full-time basis.

(2) In making scholarship awards to students of exceptional financial need as determined pursuant to subparagraph (1) of this paragraph, a school may give priority to those students whose backgrounds are characterized by educational, cultural, or economic deprivation.

(c) *Records of approval or disapproval.* The records of the school shall indicate the basis for approval or disapproval of all or any part of each student application for a scholarship award.

§ 57.908 Maximum amount of scholarship award.

The amount of the scholarship award to any student shall not exceed the amount of such student's financial need, as determined by the school in accordance with § 57.907, and shall in no case exceed $1,500 for any 12-month period.

§ 57.909 Payment of scholarship award.

(a) Scholarship awards shall be paid to students in such installments as are deemed appropriate by the school, except that no scholarship recipient may receive more during any given installment period (e.g., semester, term, or quarter) than he needs for such period.

(b) No payment shall be made from any scholarship award to any student if at the time of such payment such student is not a full-time student as defined in § 57.901(f).

§ 57.910 Records, reports, inspection.

(a) *Records and reports.* Each scholarship grant shall be subject to the condition that the school shall maintain such records and file with the Secretary such reports relating to the use of scholarship grant funds as the Secretary may find necessary to carry out the purposes of the Act and the regulations. All rec-

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EXHIBIT C–3

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
PUBLIC HEALTH SERVICE
NATIONAL INSTITUTES OF HEALTH
BUREAU OF HEALTH PROFESSIONS EDUCATION AND MANPOWER TRAINING

NOTICE OF AWARD

Under Authority of Federal Statutes and Regulations, and Public Health Service Policy Statements applicable to Health Professions Student Assistance Programs.

☐ HEALTH PROFESSIONS SCHOLARSHIP
☐ HEALTH PROFESSIONS STUDENT LOAN
☐ NURSING STUDENT LOAN
☐ NURSING SCHOLARSHIP

DATE AWARDED

I.D. NUMBER

PERIOD OF SUPPORT
FROM THROUGH

AMOUNT OF SUPPORT
$

INSTITUTION RECEIVING AWARD

AUTHORIZED OFFICIAL

AWARD BY SCHOOL OR PROGRAM AND SOURCE OF FUNDS

SCHOOL(S) PROGRAM(S)	STUDENT LOANS		SCHOLARSHIPS	TOTAL
	FEDERAL CAPITAL CONTRIBUTION	FEDERAL CAPITAL LOAN		
Medicine	$	$	$	$
Dentistry	$	$	$	$
Osteopathy	$	$	$	$
Optometry	$	$	$	$
Pharmacy	$	$	$	$
Podiatry	$	$	$	$
Veterinary Medicine	$	$	$	$
Nursing:				
Diploma	$	$	$	$
Associate Degree	$	$	$	$
Baccalaureate Degree	$	$	$	$
Graduate Degree	$	$	$	$

Remarks:

APPROPRIATION	ALLOWANCE	ACCOUNT NUMBER	PROJECT NUMBER	OBJECT CLASS	OBLIGATION NUMBER	AMOUNT OF OBLIGATION

PAYMENTS OF THIS AWARD WILL BE MADE TO:

SIGNATURE OF PHS OFFICIAL

NIH-1614-12 (FORMERLY PHS-4663-22)
9-70

DISTRIBUTION: ☐ Coordinator of Student Assistance Programs ☐ Program Representative ☐ Fiscal Officer

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EXHIBIT C–4

DEPARTMENT OF
HEALTH, EDUCATION, AND WELFARE
PUBLIC HEALTH SERVICE
NATIONAL INSTITUTES OF HEALTH
BUREAU OF HEALTH PROFESSIONS EDUCATION
AND MANPOWER TRAINING
DIVISION OF HEALTH MANPOWER EDUCATIONAL SERVICES
STUDENT LOAN AND SCHOLARSHIP BRANCH
9000 ROCKVILLE PIKE
BETHESDA, MARYLAND 20014

I.D. NUMBER

DATE OF REQUEST

HEALTH PROFESSIONS STUDENT ASSISTANCE PROGRAMS

REQUEST FOR PARTIAL ADVANCE OF FUNDS

INSTRUCTIONS: Only one request need be submitted for all activities. The original and 4 copies are to be returned to this office. Retain last copy for your record.

NAME AND ADDRESS OF SCHOOL OR PROGRAM *(Include Zip Code)*

ACTIVITY (IES)
☐ SCHOLARSHIP
☐ FEDERAL CAPITAL CONTRIBUTION
☐ FEDERAL CAPITAL LOAN (RF)

	SCHOLARSHIPS	FEDERAL CAPITAL CONTRIBUTION	FEDERAL CAPITAL LOAN (RF)
A. CASH			
1. CASH BALANCE BEGINNING THIS FISCAL YEAR	$	$	$
2. ADD CASH RECEIPTS FOR CURRENT FISCAL YEAR:			
a. FEDERAL FUNDS RECEIVED			
b. INSTITUTIONAL CONTRIBUTION DEPOSITED			
c. TRANSFER FROM LOAN/SCHOLARSHIP FUND			
d. COLLECTIONS FROM STUDENTS			
e. OTHER *(Specify)*			
3. TOTAL CASH AVAILABLE	$	$	$
4. LESS CASH DISBURSEMENTS, CURRENT FISCAL YEAR:			
a. LOANS AND/OR SCHOLARSHIPS TO STUDENTS			
b. TRANSFER TO LOAN/SCHOLARSHIP FUND			
c. REPAYMENTS TO FEDERAL GOVERNMENT			
d. OTHER			
5. TOTAL CASH DISBURSEMENTS	$	$	$
6. CASH BALANCE AT DATE OF REQUEST *(Items 3 less 5)*	$	$	$
B. RECONCILIATION OF LOANS AND/OR SCHOLARSHIPS			
7. AUTHORIZED AWARD FOR CURRENT FISCAL YEAR	$	$	$
8. LESS:			
a. AMOUNTS PREVIOUSLY RECEIVED THIS FISCAL YEAR			
b. AMOUNT OF THIS REQUEST			
9. TOTAL AMOUNTS RECEIVED AND REQUESTED	$	$	$
10. BALANCE FOR FUTURE REQUESTS *(Items 7 less 9)*	$	$	$

C. INSTITUTIONAL REQUEST FOR ADVANCE OF FEDERAL FUNDS

11. ACADEMIC PERIOD COVERED BY THIS REQUEST: ____________ THROUGH ____________
MONTH DAY YEAR MONTH DAY YEAR

12. TOTAL AMOUNT REQUESTED (LOANS AND/OR SCHOLARSHIPS) *(Item 8.b. for all activities)* $____________

SIGNATURE AND TITLE OF REQUESTING OFFICER

DATE

SIGNATURE OF APPROVING OFFICER, PUBLIC HEALTH SERVICE

DATE

AMOUNT APPROVED
$____________

PHS-4663-24
12/68

FORM APPROVED
BUDGET BUREAU NO. 68.R0847

ords shall be maintained for a period of 5 years, or until audit by representatives of the Department of Health, Education, and Welfare has been completed and any questions arising therefrom have been resolved, whichever is sooner.

(b) *Inspection and audit.* Any application for a scholarship grant shall constitute the consent of the applicant school to inspection and fiscal audit, by persons designated by the Secretary, of the fiscal and other records of the applicant school which relate to the grant.

§ 57.911 Noncompliance.

Whenever the Secretary finds that a participating school has failed in a material respect to comply with the Act or the regulations of this subpart, he may, after reasonable notice, withhold further payments, and take such other action as he finds necessary to carry out the purposes of the Act and regulations. In such case no further expenditures shall be made by the school from the scholarship grant until the Secretary determines that there is no longer any such failure of compliance.

Dated: May 19, 1969.

ROBERT Q. MARSTON,
Director,
National Institutes of Health.

Approved: June 24, 1969.

ROBERT H. FINCH,
Secretary.

[F.R. Doc. 69–7600; Filed, June 26, 1969; 8:47 a.m.]

EXHIBIT C

Exhibit C–1	HEW - 441	Assurance of Compliance and Explanation of Form HEW-441
Exhibit C–2	NIH–1614–11	Application to Participate in the . . .
Exhibit C–3	NIH–1614–12	Notice of Award
Exhibit C–4	PHS–4663–24	Request for Partial Advance of Funds
Exhibit C–5	NIH–1614–13	Annual Operating Report
Exhibit C–6	PHS–4663–4	Federal Revolving Fund Promissory Note Health Professions Student Loan Program
Exhibit C–7	PHS–4755–6	Federal Revolving Fund Promissory Note Nursing Student Loan Program
Exhibit C–8	NIH–1614–2	Student Promissory Note
Exhibit C–9	NIH–1614–5	Certification of Student Status
Exhibit C–10	PHS–4663–15	Designated Shortage Areas Health Professions Student Loan Program
Exhibit C–11	PHS–4663–16	Request for Assurance - Health Professions Student Loan Program
Exhibit C–12	PHS–4663–17	Notice of Practice in Shortage Area - Health Professions Student Loan Program
Exhibit C–13	PHS–4663–18	Request for Postponement of Installment Payment - Health Professions Student Loan Program
Exhibit C–14	PHS–4663–19	Request for Partial Cancellation of Loan Health Professions Student Loan Program
Exhibit C–15	NIH–1614–16	Request for Partial Cancellation of Loan Nursing Student Loan Program
Exhibit C–16	NIH–1614–17	Request for Postponement of Installment Payment Nursing Student Loan Program

EXHIBIT C–1

ASSURANCE OF COMPLIANCE WITH THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE REGULATION UNDER TITLE VI OF THE CIVIL RIGHTS ACT OF 1964

______________________________ (hereinafter called the "Applicant")
(Name of Applicant)

HEREBY AGREES THAT it will comply with title VI of the Civil Rights Act of 1964 (P.L. 88-352) and all requirements imposed by or pursuant to the Regulation of the Department of Health, Education, and Welfare (45 CFR Part 80) issued pursuant to that title, to the end that, in accordance with title VI of that Act and the Regulation, no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Applicant receives Federal financial assistance from the Department; and HEREBY GIVES ASSURANCE THAT it will immediately take any measures necessary to effectuate this agreement.

If any real property or structure thereon is provided or improved with the aid of Federal financial assistance extended to the Applicant by the Department, this assurance shall obligate the Applicant, or in the case of any transfer of such property, any transferee, for the period during which the real property or structure is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits. If any personal property is so provided, this assurance shall obligate the Applicant for the period during which it retains ownership or possession of the property. In all other cases, this assurance shall obligate the Applicant for the period during which the Federal financial assistance is extended to it by the Department.

THIS ASSURANCE is given in consideration of and for the purpose of obtaining any and all Federal grants, loans, contracts, property, discounts or other Federal financial assistance extended after the date hereof to the Applicant by the Department, including installment payments after such date on account of applications for Federal financial assistance which were approved before such date. The Applicant recognizes and agrees that such Federal financial assistance will be extended in reliance on the representations and agreements made in this assurance, and that the United States shall have the right to seek judicial enforcement of this assurance. This assurance is binding on the Applicant, its successors, transferees, and assignees, and the person or persons whose signatures appear below are authorized to sign this assurance on behalf of the Applicant.

Dated ______________________

____
(Applicant)

By ______________________________
(President, Chairman of Board, or comparable authorized official)

____

____
(Applicant's mailing address)

HEW-441
(12-64)

Explanation Of

HEW FORM NO. 441, ASSURANCE OF COMPLIANCE WITH THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE REGULATION UNDER TITLE VI OF THE CIVIL RIGHTS ACT OF 1964

Section 80.4 of the Department of Health, Education, and Welfare's Regulation effectuating Title VI of the Civil Rights Act of 1964 requires that every application to the Department for Federal financial assistance shall contain or be accompanied by an Assurance that the program or facility to be assisted will be conducted or operated in compliance with Title VI of the Civil Rights Act and with all requirements imposed by or pursuant to the Department's Regulation.

Section 80.4 further provides that "the form of the foregoing Assurance and the extent to which like Assurances will be required of subgrantees, contractors, transferees, successors in interest and other participants," shall be specified by the responsible Department official. Under this authority, HEW Form No. 441 has been specified as the form of Assurance which shall apply to all applications for Federal financial assistance (except for continuing state programs which must meet the requirements of Section 80.4(b) and school districts availing themselves of Section 80.4(c) of the Regulation) submitted to the Department after January 3, 1965; also the circumstances have been specified under which an Applicant shall obtain comparable written Assurances of compliance from its subgrantees, contractors, and transferees. (See answers to Questions 11 and 12 below in this regard.)

HEW Form No. 441 constitutes a legally enforceable agreement to comply with Title VI of the Civil Rights Act of 1964, and with all requirements imposed by or pursuant to the Regulation of the Department of Health, Education, and Welfare issued thereunder. Applicants are urged to read the Department's Regulation before executing the Assurance.

The following explanation of the requirements of the Department's Regulation and the examples of the kinds of discriminatory practices prohibited by them are for the guidance of the Applicants.

1. *By executing the Assurance (HEW Form No. 441), what does an Applicant agree to do?*

A. The Applicant agrees to make no distinction on the ground of race, color, or national origin in providing to individuals any service, financial aid, or other benefit under any program receiving Federal financial assistance extended to the Applicant by the Department.

2. *What is meant by "distinction on the ground of race, color, or national origin"?*

A. "Distinction on the ground of race, color, or national origin" includes (1) any type of segregation, separate or different treatment, or other discrimination on that ground; (2) the imposition of any admission, enrollment quota, eligibility, or other requirement or condition which individuals must meet in order to be provided any service, financial aid, or other benefit under a program or to be afforded an opportunity to participate in a program, if the race, color, or national origin of individuals is considered in determining whether they meet any such requirement or condition; (3) the use of membership in a group as a basis for the selection of individuals for any purpose, if in selecting members of the group there is discrimination on the ground of race, color, or national origin; and (4) the assignment of personnel to provide services, or the assignment of times or places for the provision of services, on the basis of the race, color, or national origin of the individuals to be served. It does not, however, include distinctions on the ground of race, color, or national origin determined by the responsible Department official to be necessary to the conduct of research or experimental programs having as their primary objective the discovery of new knowledge concerning special characteristics of particular racial or other ethnic groups.

3. *What is meant by "service, financial aid, or other benefit"?*

A. "Service, financial aid, or other benefit" under a program receiving Federal financial assistance includes any education or training, any evaluation, guidance, counseling, or placement service, any health, welfare, rehabilitation, housing, or recreational service, any referral of individuals for any of the foregoing services, any scholarship, fellowship or traineeship stipend or allowance, and any loan or other financial assistance or benefit (whether in cash or in kind), which is made available to individuals (1) with the aid of Federal financial assistance, or (2) with the aid of the Applicant's or of other non-Federal funds required to be made available for the program as a condition to the receipt of Federal financial assistance, or (3) in or through a facility provided with the aid of Federal financial assistance or the non-Federal matching funds referred to in (2).

4. *What requirements are placed on the use of facilities?*

A. The Applicant agrees to make no distinction on the ground of race, color, or national origin in making available to individuals the use of any land, building, equipment, or other facility leased, acquired, constructed, improved, or equipped with the aid of Federal financial assistance extended to the Applicant by the Department, including—

(*a*) the use of any room, dormitory, ward, or other space in the facility;

(*b*) the use of any equipment in the facility;

(*c*) the use of any office, waiting room, restroom, eating, recreational, concession, or other accommodation or convenience provided in the facility;

(*d*) the use of any facility not provided with the aid of Federal financial assistance if the availability of such facility is required as a condition to the receipt of Federal financial assistance for the Federally-assisted facility.

5. *What requirements are placed on the opportunities to participate in a program receiving Federal assistance?*

A. The Applicant agrees to make no distinction on the ground of race, color, or national origin in affording opportunities to individuals to participate (other than as employees) in any program receiving Federal financial assistance extended by the Department to the Applicant, including opportunities to participate—

(*a*) as providers of any service, financial aid, or other benefit to individuals under the program (e.g., as physicians, surgeons, dentists, or other professional practitioners seeking the privilege of practicing in a Federally-aided hospital or other facility),

(*b*) as conferees, observers, consultants, or advisers, or as members of advisory or planning groups, or

(*c*) as volunteers (e.g., as voluntary workers, or as patients or other subjects of study or experimentation in research, survey, demonstration, or like programs).

6. *Does that mean that an Applicant who signs the Department's Assurance may nevertheless make distinctions among his employees on the basis of race, color, or national origin?*

A. Title VI of the Civil Rights Act does not concern itself with employment practices except where a primary objective of the Federal financial assistance is to provide employment. Thus, where a basic objective of the program is to provide employment, the Applicant's employment practices are subject to the Department's Regulation. However, even where this is not the case an Applicant may be precluded from engaging in any discriminatory employment practices under the provisions of Title VII of the Civil Rights Act, Executive Orders 10925 and 11114, and the Merit System Regulations.

7. *When an Applicant's employment practices are covered by the Department's Regulation, what requirements must be met?*

A. The Applicant agrees to make no distinction on the ground of race, color, or national origin in its employment practices (including recruitment or recruitment advertising, hiring, layoff or termination, upgrading, demotion, or transfer, rates of pay or other forms of compensation, and use of facilities) with respect to individuals seeking employment or employed under any program receiving Federal financial assistance extended to the Applicant by the Department, in those programs where a primary objective of the Federal financial assistance is to provide employment to such individuals. This includes programs under which the employment is provided—

(*a*) as a means of extending financial assistance to students or to needy persons,

(*b*) to students, fellows, interns, residents, or others in training for related employment (including research associates or assistants in training for research work), or

(*c*) to reduce unemployment or to provide remunerative activity to individuals who because of severe handicaps cannot be readily absorbed in the competitive labor market.

8. *What effect will the Regulation have on a college or university's admission practices or other practices related to the treatment of students?*

A. An institution of higher education which applies for any Federal financial assistance of any kind must agree that it will make no distinction on the ground of race, color, or national origin in the admission practices or any other practices of the institution relating to the treatment of students.

(*a*) "Student" includes any undergraduate, graduate, professional, or postgraduate student, fellow, intern, student, or other trainee receiving education or training from the institution.

(*b*) "Admission practices" include recruiting and promotional activities, application requirements, eligibility conditions, qualifications, preferences, or quotas used in selecting individuals for admission to the institution, or any program of the institution, as students.

(*c*) "Other practices relating to the treatment of students" include the affording to students of opportunities to participate in any educational, research, cultural, athletic, recreational, social, or other program or activity; the performance evaluation, discipline, counseling of students; making available to students any housing, eating, health, or recreational service; affording work opportunities, or scholarship, loan or other financial assistance to students; and making available for the use of students any building, room, space, materials, equipment, or other facility or property.

9. *Does the Assurance of nondiscrimination apply to the entire operation of an institution?*

A. Insofar as the Assurance given by the Applicant relates to the admission or other treatment of individuals as students, patients, or clients of an institution of higher education, a school, hospital, nursing home, center, or other institution owned or operated by the Applicant, or to the opportunity to participate in the provision of services, financial aid, or other benefits to such individuals, the Assurance applies to the entire institution. In the case of a public school system the Assurance would be applicable to all of the elementary or secondary schools operated by the Applicant.

10. *What about a university which operates several campuses?*

A. Section 80.4(d)(2) of the Regulation provides for a more limited Assurance only where an institution can demonstrate that the practices in part of its operation in no way affect its practice in the program for which it seeks Federal funds. This would be a rare case.

11. *If an Applicant intends to make use of other individuals to help carry out the Federally-assisted program, does the requirement not to discriminate apply to such a subgrantee or contractor?*

A. It does. The Applicant must require any individual, organization, or other entity which it utilizes, to which it subgrants, or with which it contracts or otherwise arranges to provide services, financial aid, or other benefits under, or to assist it in the conduct of, any program receiving Federal financial assistance extended to the Applicant by the Department, or with which it contracts or otherwise arranges for the use of any facility provided with the aid of Federal financial assistance for a purpose for which the Federal financial assistance was extended, to comply fully with Title VI of the Civil Rights Act of 1964 and the Regulation of the Department of Health, Education, and Welfare issued thereunder.

12. *Must this Assurance of nondiscrimination by the subgrantee, etc., be in writing?*

A. In the case (1) of any contractual or other arrangement with another such individual or entity which will continue for an indefinite period or for a period of more than three months, (2) of any subgrant, or (3) of any conveyance, lease, or other transfer of any real property or structures thereon provided with the aid of Federal financial assistance extended to the Applicant by the Department, the Applicant shall obtain from such other person, subgrantee, or transferee, an agreement, in writing, enforceable by the Applicant and by the United States, that such other individual or entity, subgrantee, or transferee will carry out its functions under such subgrant, or contractual or other arrangement, or will use the transferred property, as the case may be, in accordance with Title VI of the Act and the Regulation will otherwise comply herewith.

13. *What obligations does the Applicant have to inform beneficiaries, participants, and others of the provisions of the Regulation?*

A. The Applicant must make available to beneficiaries, participants, and other interested persons information regarding the provisions of the Regulation and protections against discrimination provided under Title VI of the Civil Rights Act. The Department will issue shortly more detailed instructions on carrying out this phase of the Regulation.

EXHIBIT C–1

14. *What obligations does the Applicant have to keep records and to make them available to the Department?*

A. From time to time, Applicants may be required to submit reports to the Department, and the Regulation provides that the facilities of the Applicant and all records, books, accounts, and other sources of information pertinent to the Applicant's compliance with the Regulation be made available for inspection during normal business hours on request of an officer or employee of the Department specifically authorized to make such inspections. More detailed instructions in this regard will also be forthcoming from the Department in the near future.

15. *Must separate Assurance forms be filed with each application?*

A. As a general rule once a valid Assurance is given it will apply to any further application as long as there is no indication of a failure to comply.

DEPARTMENT OF
HEALTH, EDUCATION, AND WELFARE
PUBLIC HEALTH SERVICE
NATIONAL INSTITUTES OF HEALTH
BUREAU OF HEALTH MANPOWER
DIVISION OF HEALTH MANPOWER EDUCATIONAL SERVICES
STUDENT LOAN AND SCHOLARSHIP BRANCH
9000 ROCKVILLE PIKE
BETHESDA, MARYLAND 20014

I.D. NUMBER

DATE RECEIVED *(Leave blank)*

INSTITUTIONAL APPLICATION TO PARTICIPATE IN THE

- ☐ HEALTH PROFESSIONS SCHOLARSHIP PROGRAM
- ☐ HEALTH PROFESSIONS STUDENT LOAN PROGRAM
- ☐ NURSING STUDENT LOAN PROGRAM
- ☐ NURSING SCHOLARSHIP PROGRAM

PERIOD COVERED BY THIS REQUEST

JULY 1, ______ THROUGH JUNE 30, ______

SECTION I

1. NAME OF APPLICANT INSTITUTION

2A. APPLICANT'S ADDRESS *(Street, City, State, Zip Code)*

2B. COUNTY

2C. CONGRESSIONAL DISTRICT

3A. NAME AND TITLE OF OFFICIAL SIGNING FOR APPLICANT INSTITUTION

3B. TELEPHONE DATA (AREA CODE) (TELEPHONE NUMBER)

4. PARTICIPATING SCHOOL(S) PROGRAM(S)

- A. ☐ MEDICINE
- B. ☐ DENTISTRY
- C. ☐ OSTEOPATHY
- D. ☐ OPTOMETRY
- E. ☐ PHARMACY
- F. ☐ PODIATRY
- G. ☐ VETERINARY MEDICINE
- H. ☐ NURSING - DIPLOMA
- I. ☐ NURSING - ASSOCIATE DEGREE
- J. ☐ NURSING - BACCALAUREATE
- K. ☐ NURSING - GRADUATE
- L. ☐ OTHER ______

5. TYPE OF INSTITUTION *(Check applicable items)*

- A. ☐ PUBLIC INSTITUTION ☐ STATE ☐ LOCAL
- B. ☐ NONPROFIT, PRIVATE INSTITUTION

6. FEDERAL FUNDS REQUESTED

A. TOTAL AMOUNT FEDERAL CAPITAL CONTRIBUTION .... $ ______

B. TOTAL AMOUNT FEDERAL CAPITAL LOAN.. $ ______

C. TOTAL AMOUNT SCHOLARSHIP .... $ ______

D. TOTAL .... $ ______

FINAL ACTION *(Leave blank)*

FEDERAL CAPITAL CONTRIBUTION $ ______

FEDERAL CAPITAL LOAN $ ______

SCHOLARSHIP $ ______

TOTAL $ ______

7. INSTITUTIONAL REPRESENTATIVES

A. COORDINATOR OF ALL STUDENT FINANCIAL AID PROGRAMS *(Name and Title)*

B. ADDRESS *(Street, City, State, Zip Code)*

C. TELEPHONE DATA (AREA CODE) (TELEPHONE NUMBER)

D. SOCIAL SECURITY NUMBER

E. AUTHORIZED FISCAL OFFICER *(Name and Title)*

F. ADDRESS *(Street, City, State, Zip Code)*

G. TELEPHONE DATA (AREA CODE) (TELEPHONE NUMBER)

8. **TERMS AND CONDITIONS:** The undersigned official of applicant institution accepts, as to any Federal funds allocated and paid as a result of this application, the obligation to comply with the applicable provisions of the Public Health Service Act as amended and the regulations adopted pursuant thereto, and with the Public Health Service policies in effect at the time of such allocation and payment. With respect to any funds allotted and paid for the purpose of making loans to students under the Health Professions Student Loan Program or the Nursing Student Loan Program, the undersigned further agrees to comply with the terms of agreement set forth on the reverse hereof. The undersigned further agrees to comply with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Regulation adopted pursuant thereto (45 CFR Part 80), and states that the Assurance of Compliance with such Regulation (Form HEW-441) which has previously been filed by the applicant institution, or is attached, applies to funds allocated and paid pursuant hereto. The undersigned also certifies that applicant institution has no commitments or obligations inconsistent with compliance with such acts, regulations, policies, and terms of agreement.

USE INK.
"Per" Signatures NOT acceptable.

9. SIGNATURE OF AUTHORIZING OFFICER *(Named in item 3A., above)*

DATE

NIH-1614 11 (FORMERLY PHS-4663-21)
REV. 8-70

FORM APPROVED
BUDGET BUREAU NO. 68-R0847

EXHIBIT C–2

TERMS OF AGREEMENT FOR PARTICIPATION IN THE HEALTH PROFESSIONS STUDENT LOAN PROGRAM OR THE NURSING STUDENT LOAN PROGRAM

1. Federal Capital Contributions (FCC)

Monies paid to the institution, pursuant to the application on the reverse hereof, in the form of Federal Capital Contributions shall be deposited by the institution in a separate and distinct account, hereinafter referred to as the "FCC Fund." In addition to Federal Capital Contributions, the institution shall deposit in the FCC Fund:

(a) an amount equal to not less than one-ninth of such Federal Capital Contribution, contributed by such institution;
(b) collections of principal and interest on loans made to students from the FCC Fund;
(c) collections of charges pursuant to sec. 741(j) or sec. 823(f) of the Public Health Service Act;
(d) sums transferred pursuant to sec. 781 or sec. 861 of the Public Health Service Act; and
(e) any other earnings of the FCC Fund.

The FCC Fund shall be used by the institution only for:

(a) loans to eligible students pursuing a full-time course of study;
(b) capital distributions as provided under sec. 743 or sec. 826 of the Public Health Service Act, or as agreed to by the institution and the Secretary of Health, Education, and Welfare;
(c) costs of litigation arising in connection with the collection of any obligation to the FCC Fund, and interest thereon; and
(d) transfers or withdrawals pursuant to sec. 746 or sec. 829 of the Public Health Service Act.

The Secretary shall pay to the institution its proportionate share of the amount of principal and interest which is canceled with respect to student loans pursuant to sec. 741(d) and (f) or sec. 823(b)(3) and (4) of the Public Health Service Act.

2. Federal Capital Loans (FCL)

Monies paid to the institution, pursuant to the application on the reverse hereof, in the form of Federal Capital Loans shall be deposited by the institution in a separate and distinct account, hereinafter referred to as the "FCL Fund." In addition to Federal Capital Loans, the institution shall deposit in the FCL Fund:

(a) collections of principal and interest on loans made to students from the FCL Fund;
(b) collections of charges pursuant to sec. 741(j) or sec. 823(f) of the Public Health Service Act; and
(c) any other earnings of the FCL Fund.

The FCL Fund shall be used by the institution only for:

(a) loans to eligible students pursuing a full-time course of study;
(b) repayments of principal and interest of Federal Capital Loans; and
(c) costs of litigation arising in connection with the collection of any obligation to such Fund, and interest thereon.

With respect to sums borrowed by the institution in the form of Federal Capital Loans, the Secretary shall pay to the institution:

(a) an amount equal to 90 per centum of the loss to the institution from defaults on student loans made from such sums;
(b) the amount by which the interest payable by the institution on Federal Capital Loans exceeds the interest received by it on student loans made from such sums;
(c) an amount equal to the collection expenses authorized by sec. 740(b)(3) or sec. 822(b)(3) of the Public Health Service Act with respect to student loans made from such sums; and
(d) the amount of principal which is canceled with respect to student loans from such funds pursuant to sec. 741(d) and (f) or sec. 823(b)(3) and (4) of the Public Health Service Act.

The institution shall remit to the Federal Government all principal and interest collected from loans made to students, including charges collected pursuant to sec. 741(j) or 823(f) of the Public Health Service Act.

Funds received as a Federal Capital Loan cannot be transferred to a school's Health Professions Scholarship grant account, nor can funds paid to a school as a scholarship grant be transferred to the FCL Fund.

While this agreement remains in effect, no student eligible to receive a loan from any Fund established pursuant hereto shall receive a loan from a loan fund established under sec. 204 of the National Defense Education Act of 1958.

APPROVED:

Secretary of Health, Education, and Welfare

Date

NIH-1614-11 (FORMERLY PHS-4663-21)
REV. 8-70

EXHIBIT C–2

SECTION II

1. NAME OF SCHOOL OR PROGRAM	2. ADDRESS *(Include zip code)*	3. PERIOD OF SUPPORT	4. I. D. NUMBER

5. ENROLLMENT

	PRESENT ACADEMIC YEAR					ACADEMIC YEAR COVERED BY THIS APPLICATION	
	MEN		WOMEN		TOTAL	TOTAL *(Estimated)*	*(Leave blank)*
CLASS	SINGLE	MARRIED	SINGLE	MARRIED			
1ST YEAR							
2ND YEAR							
3RD YEAR							
4TH YEAR							
5TH YEAR							
6TH YEAR							
TOTAL							

6. LOANS TO STUDENTS / 7. SCHOLARSHIPS AWARDED

6. LOANS TO STUDENTS					7. SCHOLARSHIPS AWARDED			
ACADEMIC YEAR					ACADEMIC YEAR			
PRESENT		NEXT *(Estimated)*		CLASS	PRESENT		NEXT *(Estimated)*	
NUMBER	AMOUNT	NUMBER	AMOUNT		NUMBER	AMOUNT	NUMBER	AMOUNT
	$		$	1ST YEAR		$		$
				2ND YEAR				
				3RD YEAR				
				4TH YEAR				
				5TH YEAR				
				6TH YEAR				
	$		$	← TOTAL →		$		$

8. FINANCIAL PLAN FOR CAPITALIZING LOAN FUND *(Check Plan(s))*

A. FEDERAL CAPITAL CONTRIBUTION .... ☐

1. TOTAL PROJECTED NEEDS (ENTER ITEM 6 ABOVE) .... $__________
2. ENTER ESTIMATED CASH BALANCE IN FEDERAL CAPITAL CONTRIBUTION ACCOUNT __________
3. ENTER INSTITUTIONAL CONTRIBUTION (10% OF DIFFERENCE, ITEMS 1 AND 2) ...... __________
4. ENTER AMOUNT FCC REQUESTED (ITEM 1 LESS AMOUNTS REPORTED ITEMS 2 AND 3) .... $__________

B. FEDERAL CAPITAL LOAN .... ☐

1. TOTAL PROJECTED NEEDS (ENTER ITEM 6 ABOVE) .... $__________
2. ENTER ESTIMATED CASH BALANCE IN FEDERAL CAPITAL LOAN ACCOUNT .. __________
3. ENTER ESTIMATED CASH BALANCE REPORTED UNDER ITEM 8.A.2 .... __________
4. ENTER AMOUNT FCL REQUESTED THIS APPLICATION (ITEM 1 LESS ITEMS 2 AND 3) .... $__________

9. STUDENT EXPENSES *(Average for 1st year Students)*

CATEGORY	ACADEMIC YEAR	
	PRESENT	NEXT
A. TUITION : RESIDENT *(state)*	$	$
NON-RESIDENT *(out-of-state)*	$	$
B. FEES	$	$
C. BOOKS/SUPPLIES	$	$
D. EQUIPMENT	$	$

10. GENERAL INFORMATION

A. PROGRAM ENTRANCE REQUIREMENTS __________

B. LENGTH OF PROGRAM ______ YEARS ______ MONTHS

C. DEGREE OFFERED

D. ACADEMIC YEAR FROM ______ TO ______

☐ SEMESTER ☐ QUARTER ☐ OTHER

USE INK.
"Per" Signatures NOT acceptable.

11. NAME AND TITLE OF PROGRAM REPRESENTATIVE	13. TELEPHONE DATA (AREA CODE) (TELEPHONE NUMBER)
12. SIGNATURE OF PROGRAM REPRESENTATIVE	14. DATE

EXHIBIT C–5

DEPARTMENT OF
HEALTH, EDUCATION, AND WELFARE
PUBLIC HEALTH SERVICE - NATIONAL INSTITUTES OF HEALTH
BUREAU OF HEALTH PROFESSIONS EDUCATION AND MANPOWER TRAINING
DIVISION OF HEALTH MANPOWER EDUCATIONAL SERVICES
STUDENT LOAN AND SCHOLARSHIP BRANCH
9000 ROCKVILLE PIKE
BETHESDA, MD. 20014

I.D. NUMBER

DATE RECEIVED *(Leave blank)*

HEALTH PROFESSIONS STUDENT ASSISTANCE PROGRAMS ANNUAL OPERATING REPORT

PERIOD COVERED BY THIS REPORT

JULY 1, THROUGH JUNE 30,

INSTRUCTIONS

The Annual Operating Report for the period covered by this report must be completed for each school or program which received Public Health Service support and returned to the above address by August 15. The information requested on number of students assisted and amount of assistance provided (Items 4 through 6, Section II), applies to support provided under these programs only.

The original and three (3) copies are to be returned to this office. Two (2) copies are to be retained for your record.

Schools participating in both the Health Professions Student Loan Program and Health Professions Scholarship Program, or schools of nursing participating in both the Nursing Student Loan Program and Nursing Scholarship Program, need complete only one (1) Section I and one (1) Section II with the exception that a school of nursing providing more than one program of nursing education; e.g., associate and baccalaureate, baccalaureate and graduate, or any combination of nursing programs, must complete a separate report (Section I and Section II) for each program.

A separate Section III must be completed for each activity or account. Schools or programs participating in both the Loan program and the Scholarship program must complete a separate financial report, Section III, for each account. Schools or programs participating in both programs maintaining two (2) loan accounts must complete three (3) financial reports: one for the loan account capitalized by Federal Capital Contributions, one for the loan account established by a Federal Capital Loan, and the third for the Scholarship program.

Scholarship financial transactions need only be reported on a current year basis since any balance remaining in the Scholarship fund at the end of the fiscal year reported reverts to the U.S. Treasury. Do not complete the cumulative column of Section III for Scholarship activity.

All financial data reported should be verified by the Fiscal Officer and sums reported under Section II should be reconciled with current fiscal year information reported under Section III.

Institutions requiring assistance in preparing reports are encouraged to contact the Student Loan and Scholarship Branch, Division of Health Manpower Educational Services, Bureau of Health Professions Education and Manpower Training.

SECTION I

1. NAME AND ADDRESS OF SCHOOL OR PROGRAM

2. PARTICIPATING SCHOOL(S) PROGRAM(S)

A. ☐ MEDICINE
B. ☐ DENTISTRY
C. ☐ OSTEOPATHY
D. ☐ OPTOMETRY
E. ☐ PHARMACY
F. ☐ PODIATRY
G. ☐ VETERINARY MEDICINE
H. ☐ NURSING -- DIPLOMA
I. ☐ NURSING -- ASSOCIATE DEGREE
J. ☐ NURSING -- BACCALAUREATE
K. ☐ NURSING -- GRADUATE
L. ☐ OTHER ____________

3. AUTHORIZING OFFICER *(Name and Title)*	ADDRESS *(Street, City, State, Zip Code)*	TELEPHONE DATA AREA CODE NUMBER
4. COORDINATOR OF ALL STUDENT FINANCIAL AID PROGRAMS *(Name and Title)*	ADDRESS *(Street, City, State, Zip Code)*	AREA CODE NUMBER
5. OFFICIAL RESPONSIBLE FOR SUBMISSION OF THIS REPORT *(Name and Title)*	ADDRESS *(Street, City, State, Zip Code)*	AREA CODE NUMBER
6. SIGNATURE OF OFFICIAL *(Named in Item 5, above)*		DATE

NIH-1614-13 (FORMERLY PHS-4663-23)
REV. 4-70

PAGE 1

FORM APPROVED
BUDGET BUREAU NO. 68-R0847

EXHIBIT C–5

SECTION II

1. NAME AND ADDRESS OF SCHOOL OR PROGRAM	2. FISCAL PERIOD COVERED BY THIS REPORT	3. I.D. NO.
	JULY 1, THROUGH JUNE 30,	

ANNUAL OPERATING REPORT

4. ENROLLMENT AND ASSISTANCE PROVIDED

Enter full-time student enrollment, number of recipients of Health Professions or Nursing Student Loans and Scholarships, and amounts of all such loans made and scholarships awarded during the period covered by this report. Indicate number of recipients receiving loans only, scholarships only, or a combination of both loans and scholarships.

CLASS	FULL-TIME STUDENT ENROLLMENT	NUMBER OF STUDENTS ASSISTED	AMOUNTS		RECIPIENTS		
			LOANS MADE	SCHOLARSHIPS AWARDED	LOANS ONLY	SCHOLARSHIPS ONLY	BOTH LOANS AND SCHOLARSHIPS
	A	B	C	D	E	F	G
1ST YEAR			$	$			
2ND YEAR							
3RD YEAR							
4TH YEAR							
5TH YEAR							
6TH YEAR							
TOTAL			$	$			

5. DISTRIBUTION OF LOANS AND SCHOLARSHIPS

Enter number of Health Professions or Nursing Student Loans made and Scholarships awarded during the period covered by this report by range of loan or scholarship amounts and by range of combined gross income of family. The total reported in Columns 5.A. and 5.C. should agree with the aggregate of loans reported in Columns 4.E. and 4.G. above. The total reported in Columns 5.B and 5.D. should agree with the aggregate of scholarships reported in Columns 4.F. and 4.G. above.

LOANS MADE	LOAN OR AWARD RANGE	SCHOLARSHIPS AWARDED	LOANS MADE	GROSS INCOME RANGE	SCHOLARSHIPS AWARDED
A		B	C		D
	$2,500 -			$25,000 OR MORE	
	$2,000 - 2,499			$20,000 - 24,999	
	$1,500 - 1,999			$15,000 - 19,999	
	$1,000 - 1,499			$10,000 - 14,999	
	$ 500 - 999			$ 5,000 - 9,999	
	$ 300 - 499			$ 3,000 - 4,999	
	$ 1 - 299			LESS THAN $3,000	
	◄—TOTAL—►			◄—TOTAL—►	

6. RESIDENT AND NON–RESIDENT ENROLLMENT

Enter full-time resident and non-resident enrollment for current year. Combined total should agree with total enrollment reported in Column 4.A.

CLASS	RESIDENT (STATE)	NON-RESIDENT (OUT-OF-STATE)
	A	B
1ST YEAR		
2ND YEAR		
3RD YEAR		
4TH YEAR		
5TH YEAR		
6TH YEAR		
TOTAL		

7. TOTAL STUDENT ASSISTANCE EXPENDITURES

Report amounts expended during this period for educational assistance to students in the school or program covered by this report from funds administered and paid by your institution, and the total number of such students.

SOURCE OF FUNDS	STUDENTS	EXPENDITURES		
		LOANS	SCHOLARSHIPS	TOTAL
	A	B	C	D
INSTITUTIONAL		$	$	$
STATE GOV'T				
FEDERAL GOV'T				
OTHER				
TOTAL		$	$	$

NIH-1614-13(FORMERLY PHS-4663-23)
REV. 4-70

EXHIBIT C–5

SECTION III

1. NAME AND ADDRESS OF SCHOOL OR PROGRAM	2. ACTIVITY ☐ SCHOLARSHIP ☐ FEDERAL CAPITAL CONTRIBUTION ☐ FEDERAL CAPITAL LOAN (RF)	3. I. D. NUMBER

4. FISCAL PERIOD COVERED BY THIS REPORT --- JULY 1, ____________ THROUGH JUNE 30, ____________

FINANCIAL REPORT	CUMULATIVE FROM BEGINNING (LOANS ONLY)	CURRENT FISCAL YEAR
A. FEDERAL FUNDS AUTHORIZED	$	$
B. CASH BALANCE BEGINNING THIS FISCAL YEAR	▨	
C. CASH RECEIPTS		
1. FEDERAL FUNDS RECEIVED	$	$
2. INSTITUTIONAL CONTRIBUTIONS DEPOSITED *(Incl. Institutional Loan)*		
3. TRANSFER FROM LOAN/SCHOLARSHIP FUND		
4. LOAN PRINCIPAL COLLECTED		
5. INTEREST INCOME COLLECTED ON LOANS		
6. LITIGATION REIMBURSEMENT RECEIVED FROM FEDERAL GOV'T.		
7. OTHER INCOME *(Specify)*		
8. TOTAL CASH RECEIPTS *(C. 1. Through C. 7.)*	$	$
D. CASH AVAILABLE *(B. Plus C. 8.)*	$	$
E. CASH DISBURSEMENTS		
1. LOANS/SCHOLARSHIPS TO STUDENTS	$	$
2. TRANSFER TO LOAN/SCHOLARSHIP FUND		
3. REPAYMENTS TO FEDERAL GOVERNMENT		
4. REPAYMENTS TO INSTITUTION		
5. COSTS OF LITIGATION		
6. OTHER COSTS		
7. TOTAL CASH DISBURSEMENTS *(E. 1. Through E. 6.)*	$	$
F. CASH BALANCE END FISCAL PERIOD COVERED BY THIS REPORT *(D. Minus E. 7.)*	$	$

G. LOAN CANCELLATIONS	CUMULATIVE FROM BEGINNING			CURRENT FISCAL YEAR		
	NUMBER OF BORROWERS	PRINCIPAL CANCELED	INTEREST CANCELED	NUMBER OF BORROWERS	PRINCIPAL CANCELED	INTEREST CANCELED
1. PRACTICE-SHORTAGE (10%)		$	$		$	$
2. PRACTICE-RURAL SHORTAGE (15%)						
3. NURSING EMPLOYMENT-(10%)						
4. NURSING EMPLOYMENT-SHORTAGE (15%)						
5. DEATH OR DISABILITY						
TOTAL		$	$		$	$

H. ACCOUNTS OVERDUE	NUMBER OF BORROWERS	PRINCIPAL PAST DUE	INTEREST PAST DUE
Report accounts more than 120 days delinquent as of June 30		$	$

I certify that this report is true and correct and that all fiscal transactions reported above have been made in accordance with the terms and conditions set forth in the application to participate in the program.

5. SIGNATURE OF AUTHORIZED FISCAL OFFICER	TITLE	DATE

NIH-1614-13(FORMERLY PHS-4663-23)
REV. 4-70

75/76

EXHIBIT C–6

PHS-4563-4
3-67

DEPARTMENT OF
HEALTH, EDUCATION, AND WELFARE
PUBLIC HEALTH SERVICE - NATIONAL INSTITUTES OF HEALTH
BUREAU OF HEALTH PROFESSIONS EDUCATION AND MANPOWER TRAINING
DIVISION OF HEALTH MANPOWER EDUCATIONAL SERVICES
STUDENT LOAN AND SCHOLARSHIP BRANCH
9000 ROCKVILLE PIKE
BETHESDA, MD. 20014

FEDERAL REVOLVING FUND PROMISSORY NOTE HEALTH PROFESSIONS STUDENT LOAN PROGRAM

NOTE NO.

NOTE: PLEASE RETAIN SCHOOL COPY (WHITE): RETURN OTHER COPIES TO THE ABOVE ADDRESS

NAME OF INSTITUTION IDENTIFICATION NUMBER	ADDRESS OF INSTITUTION	
DATE OF NOTE	AMOUNT OF LOAN	DURATION OF LOAN
INTEREST RATE PER ANNUM	TERMS OF PAYMENT: *THE FIRST OF EACH MONTH, REMIT ALL PRINCIPAL AND INTEREST COLLECTED FROM STUDENT BORROWERS.*	

1. For value received under the authority of Section 744(a) of the Public Health Service Act, as amended, hereinafter called the Act, the undersigned promises to pay to the Secretary, Department of Health, Education, and Welfare at Washington, D.C., the amount of loan indicated with interest on the unpaid principal computed from the date of this note at the rate specified above, together with all attorneys' fees and other costs and charges for the collection of any amount not paid when due according to the terms of this note. Each month the maker shall pay the Secretary all principal and interest the maker has collected from loans made to students from funds derived from this note.

2. In the event of any default in the payment of principal or interest or in the event of the maker's failure to comply with any requirements of the Act or Regulations thereunder, as determined by the Secretary, the total unpaid balance of this note shall, at the option of the Secretary, become at once due and payable without notice, and may be collected immediately. If the maker shall become insolvent or make a general assignment for the benefit of creditors or file a petition in bankruptcy or if a petition in bankruptcy shall be filed against it or a receiver be appointed of its property or assets, then the said principal sum shall become at once due and payable without notice. In all of the above cases of failure to make repayment, the maker shall also be liable for interest due and accrued on the unpaid balance of loans made to students from funds derived from this note.

3. Anything to the contrary notwithstanding, the maker may at its option and without penalty, prepay all or any part of the principal and accrued interest at any time.

THIS NOTE MUST BE EXECUTED BY A DULY AUTHORIZED OFFICIAL OF THE MAKER INSTITUTION AND MUST BE ATTESTED TO IN ACCORDANCE WITH APPROPRIATE STATE REQUIREMENTS.

INSTITUTIONAL SEAL	AUTHORIZED SIGNATURE OF REPRESENTATIVE OF MAKER OF NOTE: *(Name)* *(Date)* ATTESTED TO BY: *(Name)* *(Date)*

Form Approved
Budget Bureau No. 68-R847

77/78

EXHIBIT C–7

PHS-4755-6
3-67

DEPARTMENT OF
HEALTH, EDUCATION, AND WELFARE
PUBLIC HEALTH SERVICE
DIVISION OF HEALTH MANPOWER EDUCATIONAL SERVICES
STUDENT LOAN AND SCHOLARSHIP BRANCH
ARLINGTON, VIRGINIA 22203

FORM APPROVED
BUDGET BUREAU NO. 68-R0847

FEDERAL REVOLVING FUND PROMISSORY NOTE
NURSING STUDENT LOAN PROGRAM

NOTE NO.

NOTE: PLEASE RETAIN SCHOOL COPY (WHITE). RETURN OTHER COPIES TO ABOVE ADDRESS

NAME OF INSTITUTION IDENTIFICATION NUMBER	ADDRESS OF INSTITUTION	
DATE OF NOTE	AMOUNT OF LOAN	DURATION OF LOAN
INTEREST RATE PER ANNUM	TERMS OF PAYMENT: *THE FIRST OF EACH MONTH, REMIT ALL PRINCIPAL AND INTEREST COLLECTED FROM STUDENT BORROWERS.*	

1. For value received under the authority of Section 827(d) of the Public Health Service Act, as amended, hereinafter called the Act, the undersigned promises to pay to the Secretary, Health, Education, and Welfare at Washington, D.C., the amount of loan indicated with interest on the unpaid principal computed from the date of this note at the rate specified above, together with all attorneys' fees and other costs and charges for the collection of any amount not paid when due according to the terms of this note. On the first day of each month, the maker shall pay the Secretary all principal and interest the maker has collected from loans made to students from funds derived from this note.

2. In the event of any default in the payment of principal or interest or in the event of the maker's failure to comply with any requirements of the Act or Regulations thereunder, as determined by the Secretary, the total unpaid balance of this note shall, at the option of the Secretary, become at once due and payable without notice, and may be collected immediately. If the maker shall become insolvent or make a general assignment for the benefit of creditors or file a petition in bankruptcy or if a petition in bankruptcy shall be filed against it or a receiver be appointed of its property or assets, then the said principal sum shall become at once due and payable without notice. In all of the above cases of failure to make repayment, the maker shall also be liable for interest due and accrued on the unpaid balance of loans made to students from funds derived from this note.

3. Anything to the contrary notwithstanding, the maker may at its option and without penalty, prepay all or any part of the principal and accrued interest at any time.

THIS NOTE MUST BE EXECUTED BY A DULY AUTHORIZED OFFICIAL OF THE MAKER INSTITUTION AND MUST BE ATTESTED TO IN ACCORDANCE WITH APPROPRIATE STATE REQUIREMENTS.

INSTITUTIONAL SEAL	AUTHORIZED SIGNATURE OF REPRESENTATIVE OF MAKER OF NOTE: *(Name)*	*(Date)*
	ATTESTED TO BY *(Name)*	*(Date)*

79/80

EXHIBIT C–8

DEPARTMENT OF
HEALTH, EDUCATION, AND WELFARE
PUBLIC HEALTH SERVICE - NATIONAL INSTITUTES OF HEALTH
BUREAU OF HEALTH PROFESSIONS EDUCATION AND MANPOWER TRAINING
DIVISION OF HEALTH MANPOWER EDUCATIONAL SERVICES
STUDENT LOAN AND SCHOLARSHIP BRANCH
9000 ROCKVILLE PIKE
BETHESDA, MD. 20014

HEALTH PROFESSIONS STUDENT ASSISTANCE PROGRAMS

STUDENT PROMISSORY NOTE

CITY AND STATE

I, ______________________________, hereinafter called the Maker, promise to pay to ______________________________ *(Name of Institution)*, hereinafter called the Institution, located at ______________________________, the sum of such amounts as may from time to time be advanced to me and endorsed in the Schedule of Advances below with interest at the rate of __________ percent per annum together with all attorney's fees and related costs and charges for the collection of any amount not paid when in default according to the terms of this note.

SCHEDULE OF ADVANCES

NUMBER	AMOUNT	DATE	SIGNATURE OF MAKER
1			
2			
3			
4			
5			
6			
7			
8			
9			

The Maker further understands and agrees, and it is understood between the parties that:

I. In the event that more than one loan is made to the Maker from either the Health Professions Student Loan Fund or the Nursing Student Loan Fund of the Institution, the sum of the amounts advanced to the Maker shall, for repayment purposes, be combined into and regarded as the total loan made to the Maker representing his total indebtedness to the Fund. Furthermore, each payment made by the Maker to the Institution shall be applied to the principal sum of the total loan and to interest which has accrued on the unpaid balance thereof.

II. All sums advanced pursuant to this note are drawn from a fund created under Part C of Title VII or Part B of Title VIII of the Public Health Service Act, as amended. Such terms of this note as are subject to interpretation shall be construed in the light of Federal Regulations pertaining to such Act, copies of which shall be kept by the Institution.

NIH-1614-2 (FORMERLY PHS-4663-5)
2-70

OVER

Form Approved
Budget Bureau No. 68-R847

EXHIBIT C–8

III. Repayment of the principal of the total loan, together with accrued interest thereon, shall be made over a 10–year repayment period, except that the Institution may provide that payments of principal and interest by the Maker shall be at a rate equal to not less than $15 per month. For Health Professions Student Loans, the period commences one year after the Maker ceases to pursue a full–time course of study at a school as prescribed by Sec. 740 of the Public Health Service Act, as amended, and ends 11 years after such date. For Nursing Student Loans, the period commences nine months after the Maker ceases to pursue a full–time course of study at a school of nursing as prescribed by Sec. 822 of the Public Health Service Act, as amended, and ends 10 years and nine months after such date. Interest shall accrue from the beginning of such repayment period. Repayment of principal, together with accrued interest thereon, shall be made in equal or graduated periodic installments in accordance with the terms of a schedule approved by the Institution and the Secretary of Health, Education, and Welfare, and agreed to by the Maker, but such installments shall in no case be paid less frequently than annually and shall commence not later than the end of the first year of the repayment period.

IV. This note is subject also to the following conditions:

A. The Maker may, at his option and without penalty, prepay all or any part of the principal and accrued interest at any time.

B. The Institution may assess a late penalty charge for failure of the Maker to pay all or any part of an installment when it is due, or for failure to file timely and satisfactory evidence of entitlement to deferment or cancellation of part or all of loan, if so entitled, at the rate of $1 for the first month or part thereof by which such installment is late, and $2 for each month or part thereof thereafter.

C. In the event of the Maker's total and permanent disability or death, the unpaid indebtedness hereunder shall be canceled.

D. The Maker undertakes to inform the Institution to which he is indebted under this note of any change in his address after he ceases to be a full–time student at such Institution.

E. Deferment – Interest shall not accrue on the loan and installments need not be paid during the following periods:

1. *Health Professions Student Loan* – Active duty as a member of a uniformed service of the United States or as a volunteer under the Peace Corps Act for up to three years; advanced professional training, including internships and residencies, for up to five years.
2. *Nursing Student Loan* – Active duty as a member of a uniformed service of the United States or as a volunteer under the Peace Corps Act for up to three years; while pursuing a full–time course of study at a collegiate school of nursing leading to a baccalaureate degree in nursing or equivalent degree, or a graduate degree in nursing; or otherwise pursuing advanced professional training in nursing, for up to five years.

F. Cancellation

1. *Health Professions Student Loan* – Up to 50 percent of the total unpaid amount of the loan, plus accrued interest thereon, may be canceled when the Maker engages in the practice of medicine, dentistry, osteopathy, or optometry in a designated shortage area, and such practice is certified by the State Health Authority as helping to meet the shortage of and need for such professional services, at the rate of 10 percent of such total amount, plus accrued interest thereon, that was unpaid on the first day of such practice for each complete year the Maker engages in such practice.

   Up to 100 percent of the total unpaid amount of the loan, plus accrued interest thereon, may be canceled when the Maker engages in the practice of medicine, dentistry, osteopathy, or optometry in a shortage area which the Secretary has determined to be a rural area characterized by low family income and such practice is certified by the State Health Authority as helping to meet the shortage of and need for such professional services, at the rate of 15 percent of such total amount, plus accrued interest thereon, that was unpaid on the first day of such practice for each complete year the Maker engages in such practice.
2. *Nursing Student Loan* – Up to 50 percent of the loan, plus accrued interest thereon, may be canceled when the Maker is employed full time as a professional nurse (including teaching in any of the fields of nurse training and service as an administrator, supervisor, or consultant in any of the fields of nursing) in any public or nonprofit private institution or agency, at the rate of 10 percent of the total amount of such loan, plus accrued interest thereon, that was unpaid on the first day of such employment for each complete year the Maker engages in such employment.

   Up to 100 percent of the amount of the loan, plus accrued interest thereon, may be canceled when the Maker is employed full time as a professional nurse in a public or nonprofit hospital in any area determined by the Secretary to have a substantial shortage of such nurses at such hospitals, at the rate of 15 percent of the total amount of such loan, plus accrued interest thereon, that was unpaid on the first day of such employment for each complete year the Maker engages in such employment.

(Date) *(Signature of Maker)*

CAVEAT – *This note shall be executed without security and without endorsement, except that, if the Maker is a minor and this note would not, under State Law, create a binding obligation, either security or endorsement may be required. The payee shall supply a copy of this note to the Maker.*

NIH-1614-2 (FORMERLY PHS-4663-5)
2-70 (BACK)

EXHIBIT C–9

U.S. DEPARTMENT OF
HEALTH, EDUCATION, AND WELFARE
PUBLIC HEALTH SERVICE
NATIONAL INSTITUTES OF HEALTH
BUREAU OF HEALTH PROFESSIONS EDUCATION AND MANPOWER TRAINING
DIVISION OF HEALTH MANPOWER EDUCATIONAL SERVICES
STUDENT LOAN AND SCHOLARSHIP BRANCH
9000 ROCKVILLE PIKE
BETHESDA, MARYLAND 20014

CERTIFICATION OF STUDENT STATUS

HEALTH PROFESSIONS STUDENT ASSISTANCE PROGRAMS

INSTRUCTIONS

To claim deferment of repayment of your loan, a Certification of Student Status form (NIH-1614-5), must be filed with the school from which you received assistance. Three (3) copies should be executed; the original and one copy to be returned to the school from which the loan was made; the third copy to be retained by the borrower. It is the responsibility of the borrower seeking deferment of repayment of loan to return this form properly executed to the school from which the loan was made (1) when first repayment installment is due; (2) annually thereafter as long as status is claimed; and (3) upon termination of status.

See NOTE on reverse side of this form for special provisions governing deferments.

NAME AND ADDRESS OF SCHOOL FROM WHICH LOAN WAS MADE	NAME AND ADDRESS OF BORROWER

PART I - REQUEST FOR DEFERMENT OF REPAYMENT -- *To be completed by borrower if he:*

A. Ceases to pursue a full-time course of study at

1. A school of medicine, osteopathy, dentistry, pharmacy, podiatry, optometry, or veterinary medicine, but re-enters the same or another such school within the three-year grace period (for loans made prior to July 1, 1969) or the one-year grace period (for loans made after June 30, 1969); or
2. A school of nursing leading to a diploma or associate degree in nursing, a baccalaureate degree in nursing or an equivalent degree, or to a graduate degree in nursing, but re-enters the same or another such school within the one-year grace period (for loans made prior to July 1, 1969) or the nine-month grace period (for loans made after June 30, 1969).

This is to certify that I was a full-time student at ____________________

____________________ from ____________ to ____________

pursuing a course of study leading to a ____________________.
(Degree)

B. Performs active duty as a member of a uniformed service or as a volunteer under the Peace Corps Act.

This is to certify that I was in the ____________________
(Enter name of Service or Peace Corps)

from ____________ to ____________.

C. 1. Pursues advanced professional training, including internships and residencies; or
2. Pursues a full-time course of study at a collegiate school of nursing leading to a baccalaureate degree in nursing or an equivalent degree, or to a graduate degree in nursing, or is otherwise pursuing advanced professional training in nursing.

This is to certify that I was pursuing advanced professional training at ____________________

____________________ from ____________ to ____________.

I claim deferment of repayment of principal and interest on my *(Check appropriate box)*
Health Professions Student Loan ☐ (or) Nursing Student Loan ☐
for the period indicated under A.1. ☐, A.2. ☐, B. ☐, C.1. ☐, (or) C.2. ☐, above.

I further agree to notify the school from which I received assistance immediately upon termination of my status as indicated above.

DATE	SIGNATURE OF BORROWER

NIH-1614-5 (FORMERLY PHS-4663-14)
2-70

(Over)

FORM APPROVED
BUDGET BUREAU NO. 68-R0847

EXHIBIT C–9

PART II - CERTIFICATION OF STATUS

A. To be completed by official of institution where borrower is enrolled or is pursuing advanced professional training and mailed to the school from which the loan was made.

I certify that the information stated in Part I - A.1. ☐, A.2. ☐, C.1. ☐, (or) C.2. ☐, above, is true and correct.
(Check appropriate box)

NAME AND ADDRESS OF SCHOOL	SIGNATURE OF AUTHORIZED OFFICIAL
	DATE

B. To be completed by the Commanding Officer, or Peace Corps Official, and mailed to the school from which the loan was made.

I certify that the information stated in Part I - B. above is true and correct.

Borrower's Uniformed Service Serial Number ______________________

NAME AND ADDRESS OF UNIFORMED SERVICE OR PEACE CORPS HEADQUARTERS	SIGNATURE OF COMMANDING OFFICER OR PEACE CORPS OFFICIAL
	DATE
INSTITUTIONAL ACTION *– School from which loan was made* APPROVED ☐ DISAPPROVED ☐	SIGNATURE
	DATE

NOTE - *Special provisions applicable to deferments:*

I. Loans made Prior to July 1, 1969
  A. Health Professions Student Loan
    1. Grace period of 3 years.
    2. Active duty in uniformed service* or in Peace Corps (up to 3 years).
  B. Nursing Student Loan
    1. Grace period of 1 year.
II. Loans made After June 30, 1969
  A. Health Professions Student Loan
    1. Grace period of 1 year.
    2. Active duty in uniformed service* or in Peace Corps (up to 3 years).
    3. Up to 5 years advanced professional training, including internships and residencies.
  B. Nursing Student Loan
    1. Grace period of 9 months.
    2. Active duty in uniformed service* or in Peace Corps (up to 3 years).
    3. Up to 5 years pursuing full-time course of study at collegiate school of nursing leading to a baccalaureate degree in nursing or an equivalent degree, or to a graduate degree in nursing, or otherwise pursuing advanced professional training in nursing.

* The uniformed services of the United States are the Army, Navy, Marine Corps, Air Force, Coast Guard, Coast and Geodetic Survey, and the Public Health Service.

NIH-1614-5 (FORMERLY PHS-4663-14)
2-70 (BACK)

EXHIBIT C–10

DEPARTMENT OF
HEALTH, EDUCATION, AND WELFARE
PUBLIC HEALTH SERVICE - NATIONAL INSTITUTES OF HEALTH
BUREAU OF HEALTH PROFESSIONS EDUCATION AND MANPOWER TRAINING
DIVISION OF HEALTH MANPOWER EDUCATIONAL SERVICES
STUDENT LOAN AND SCHOLARSHIP BRANCH
9000 ROCKVILLE PIKE
BETHESDA, MD. 20014

HEALTH PROFESSIONS STUDENT LOAN PROGRAM
DESIGNATED SHORTAGE AREAS

INSTRUCTIONS

Please identify areas that you have designated as shortage areas in accordance with the Public Health Service Act, as amended and the Regulations. Prepare a separate list for each professional category (Physicians, M.D. and D.O.––Dentists, and Optometrists) and submit to the Public Health Service at the address given below.

I hereby designate the following areas within the State of ______________________
(Name)

as having a shortage of and need for the professional services of ______________________
(Professional Category)

____
(Signature of State Health Authority)

______________________ ______________
(Title) *(Date)*

NAME OF COUNTY OR OTHER DESIGNATED SHORTAGE AREA	AREA			REASON FOR DETERMINATION	NO. OF ADDITIONAL PROFESSIONAL PERSONNEL NEEDED
	NUMBER OF PROFESSIONAL PERSONNEL	TOTAL POPULATION	PROF./ POP. RATIO		

If additional space is needed, check here, ☐ *and continue on reverse side*

PHS-4663-15
7-67

Form Approved
Budget Bureau No. 68-R847

EXHIBIT C–10

NAME OF COUNTY OR OTHER DESIGNATED SHORTAGE AREA	AREA			REASON FOR DETERMINATION	NO. OF ADDITIONAL PROFESSIONAL PERSONNEL NEEDED
	NUMBER OF PROFESSIONAL PERSONNEL	TOTAL POPULATION	PROF./ POP. RATIO		

PHS-4663-15 (BACK)
7-67

EXHIBIT C–11

DEPARTMENT OF
HEALTH, EDUCATION, AND WELFARE
PUBLIC HEALTH SERVICE - NATIONAL INSTITUTES OF HEALTH
BUREAU OF HEALTH PROFESSIONS EDUCATION AND MANPOWER TRAINING
DIVISION OF HEALTH MANPOWER EDUCATIONAL SERVICES
STUDENT LOAN AND SCHOLARSHIP BRANCH
9000 ROCKVILLE PIKE
BETHESDA, MD. 20014

REQUEST FOR ASSURANCE
HEALTH PROFESSIONS STUDENT LOAN PROGRAM

NAME OF BORROWER *(Last, First, Middle)*	STATE HEALTH AUTHORITY *(Name and Title)*
ADDRESS *(Street, City, State, and Zip Code)*	ADDRESS *(Street, City, and Zip Code)*

INSTRUCTIONS

BORROWER: Complete Part I. Retain last copy and submit others to the appropriate State Health Authority.

STATE HEALTH AUTHORITY: Complete Part II. Retain last copy, and return others to the Borrower.

BORROWER: Retain the original copy throughout the term of practice in the designated Shortage Area. Attach the extra copy to the first application for postponement of installment to be filed after beginning practice.

PART - I *(To be completed by the Borrower)*

NOTE: This Request for Assurance should not be filed more than six months before the day a Borrower plans to begin practice in the shortage area.

Should the Borrower decide for any reason not to begin practice in the designated shortage area, he should notify the State Health Authority of his decision as soon as possible.

I plan to undertake the practice of ☐ MEDICINE ☐ OSTEOPATHY ☐ DENTISTRY ☐ OPTOMETRY

on or about ______________ *(Month)* ______ *(Day)*, 19_____ *(Year)*, in ______________________________ *(Name of Designated Shortage Area)*, ______________ *(State)*, and hereby request assurance that my practice within this area for twelve continuous months will entitle me to apply for partial cancellation of my Health Professions Student Loan.

______________________________ *(Date)*

______________________________ *(Signature of Borrower)*

PART - II *(To be completed by the State Health Authority)*

ASSURANCE BY THE STATE HEALTH AUTHORITY

The area indicated by the borrower in Part I has been determined to be a shortage area as defined by the Regulations of the Public Health Service. The Borrower's practice therein will help to meet the shortage of and need for professional health services. The Borrower is assured the shortage area designated above for the period beginning ______________ *(Month)* ______ *(Day)*, 19______ *(Year)* and ending ______________ *(Month)* ______ *(Day)*, 19 ________ *(Year)*.

______________________________ *(Date)*

______________________________ *(Signature of State Health Authority)*

______________________________ *(Title)*

PHS-4663-16
7-67

Form Approved
Budget Bureau No. 69-R847

EXHIBIT C–12

DEPARTMENT OF
HEALTH, EDUCATION, AND WELFARE
PUBLIC HEALTH SERVICE - NATIONAL INSTITUTES OF HEALTH
BUREAU OF HEALTH PROFESSIONS EDUCATION AND MANPOWER TRAINING
DIVISION OF HEALTH MANPOWER EDUCATIONAL SERVICES
STUDENT LOAN AND SCHOLARSHIP BRANCH
9000 ROCKVILLE PIKE
BETHESDA, MD. 20014

HEALTH PROFESSIONS STUDENT LOAN PROGRAM
NOTICE OF PRACTICE IN SHORTAGE AREA

INSTRUCTIONS

Give information requested, sign, date, and distribute as follows:

Submit original to State Health Authority, submit one copy to Public Health Service and retain one copy.

Initially, this notification must reach the State Health Authority before the expiration date of your assurance and annually thereafter, not later than two weeks from your anniversary date of beginning practice in the designated shortage area.

NAME OF BORROWER *(Last, First, Middle)*	ADDRESS *(Street, City, State, Zip Code)*

I began the practice of ☐ MEDICINE, ☐ OSTEOPATHY, ☐ DENTISTRY, ☐ OPTOMETRY

on ____________ *(Month)* ____________ *(Day)*, 19 ______ *(Year)*,

in ____________ *(Designated Shortage Area)*, ____________ *(State)*.

This is my ☐ FIRST ☐ SECOND ☐ THIRD ☐ FOURTH ☐ FIFTH ☐ SIXTH ☐ SEVENTH

year of practice in this particular shortage area.

SIGNATURE OF BORROWER	DATE

REMARKS

PHS-4663-17
7-67

Form Approved
Budget Bureau No. 68-R847

EXHIBIT C–13

DEPARTMENT OF
HEALTH, EDUCATION, AND WELFARE
PUBLIC HEALTH SERVICE - NATIONAL INSTITUTES OF HEALTH
BUREAU OF HEALTH PROFESSIONS EDUCATION AND MANPOWER TRAINING
DIVISION OF HEALTH MANPOWER EDUCATIONAL SERVICES
STUDENT LOAN AND SCHOLARSHIP BRANCH
9000 ROCKVILLE PIKE
BETHESDA, MD. 20014

HEALTH PROFESSIONS STUDENT LOAN PROGRAM
REQUEST FOR POSTPONEMENT OF INSTALLMENT PAYMENT

NAME OF BORROWER	NAME OF INSTITUTIONAL REPRESENTATIVE
ADDRESS *(Street, City, State, Zip Code)*	NAME OF SCHOOL AND ADDRESS *(City and State)*

INSTRUCTIONS.

At the beginning of each repayment year, the borrower should forward one copy of this form to each school from which a loan was secured if he wishes to postpone payment of loan installments due during the year. If this application is for the first year of practice in a shortage area, attach a completed copy of Request for Assurance Form

I declare that I began the practice of ☐ MEDICINE, ☐ OSTEOPATHY, ☐ DENTISTRY, ☐ OPTOMETRY

on ____________ *(Month)* , ________ *(Day)* , 19____ *(Year)* , in ____________________ *(City)*

____________________ *(Designated Shortage Area)* , ____________________ *(State)*

and expect to complete my ☐ FIRST ☐ SECOND ☐ THIRD ☐ FOURTH ☐ FIFTH ☐ SIXTH ☐ SEVENTH

year of practice in this shortage area on ____________ *(Month)* ________ *(Day)* , 19____ *(Year)* .

For such practice I expect to secure cancellation of a portion of my loan according to the Manual of Information, Policies, and Procedures and therefore, request postponement of this year's installment payment(s).

____________________ *(Date)*

____________________ *(Signature of Borrower)*

PHS-4663-18
7-67

Form Approved
Budget Bureau No. 68-R847

91/92

EXHIBIT C–14

DEPARTMENT OF
HEALTH, EDUCATION, AND WELFARE
PUBLIC HEALTH SERVICE - NATIONAL INSTITUTES OF HEALTH
BUREAU OF HEALTH PROFESSIONS EDUCATION AND MANPOWER TRAINING
DIVISION OF HEALTH MANPOWER EDUCATIONAL SERVICES
STUDENT LOAN AND SCHOLARSHIP BRANCH
9000 ROCKVILLE PIKE
BETHESDA, MD. 20014

REQUEST FOR PARTIAL CANCELLATION OF LOAN
HEALTH PROFESSIONS STUDENT LOAN PROGRAM

NAME OF BORROWER *(Last, First, Middle)*	NAME OF INSTITUTIONAL REPRESENTATIVE
ADDRESS *(Street, City, State, and Zip Code)*	NAME AND COMPLETE ADDRESS OF LENDING INSTITUTION

INSTRUCTIONS

PART I – To be completed by the Borrower. Remove and retain the last copy, designated BORROWER'S COPY, and submit remainder of set to the State Health Authority.

PART II – To be completed by the State Health Authority. Remove and retain the last copy, designated STATE HEALTH AUTHORITY'S COPY, and submit remainder of set to the Institutional Representative named above.

PART III – To be completed by the Institutional Representative. Retain the Original, return the COURTESY COPY to the Borrower and submit the PUBLIC HEALTH SERVICE COPY to the Health Professions Student Loan Program.

PART I – BORROWER'S APPLICATION *(Type or print plainly)*

I hereby apply for a partial cancellation of my Health Professions Student Loan. I request cancellation of the appropriate amount of principal and interest thereon, in accordance with the Public Health Service Act, as amended.

I began the practice of ☐ MEDICINE ☐ OSTEOPATHY ☐ DENTISTRY ☐ OPTOMETRY

on ____________ *(Month)* ____ *(Day)*, 19 ____ *(Year)* in ______________________ *(Designated Shortage Area)* ______________ *(State)*, and

completed my ☐ FIRST ☐ SECOND ☐ THIRD ☐ FOURTH ☐ FIFTH ☐ SIXTH ☐ SEVENTH

twelve-month period of continuous practice therein on ____________ *(Month)* ____ *(Day)* 19 ____ *(Year)*.

______________________ *(Date)* ______________________ *(Signature of Borrower)*

PART II – CERTIFICATION BY STATE HEALTH AUTHORITY

I hereby certify that the above named Borrower has met the eligibility requirements for cancellation of ☐ 10% ☐ 15% of his loan in accordance with the Act and Regulations.

______________________ *(Date)* ______________________ *(Signature and Title – State Health Authority)*

PART III – PARTIAL LOAN CANCELLATION

Cancellation of a portion of the above named Borrower's loan account has been made in the amount of

$______________ *(Principal)* and $______________ *(Interest)*, in accordance with the Act and Regulations.

______________________ *(Date)* ______________________ *(Signature and Title – Institutional Representative)*

PHS-4663-19
7-67

Form Approved
Budget Bureau No. 68-R847

EXHIBIT C–15

DEPARTMENT OF
HEALTH, EDUCATION, AND WELFARE
PUBLIC HEALTH SERVICE - NATIONAL INSTITUTES OF HEALTH
BUREAU OF HEALTH PROFESSIONS EDUCATION AND MANPOWER TRAINING
DIVISION OF HEALTH MANPOWER EDUCATIONAL SERVICES
STUDENT LOAN AND SCHOLARSHIP BRANCH
9000 ROCKVILLE PIKE
BETHESDA, MD. 20014

REQUEST FOR PARTIAL CANCELLATION OF LOAN
NURSING STUDENT LOAN PROGRAM

INSTRUCTIONS

To claim entitlement to loan cancellation, a Request for Partial Cancellation of Loan form, NIH-1614-16, must be filed with the school from which the loan was made for each complete year of employment as a full-time professional nurse in a public or nonprofit private institution or agency. It is the responsibility of the individual seeking cancellation to *(a)* complete PART I, *(b)* obtain certification by the employing agency, PART II, and *(c)* forward the original and one copy to the lending school for partial cancellation of loan in lieu of payment. The lending school will complete PART III, indicating the amount of cancellation earned (principal and interest), and return the copy to the individual making such request.

NAME AND ADDRESS OF SCHOOL FROM WHICH LOAN WAS MADE *(Include Zip Code)*	NAME AND ADDRESS OF APPLICANT *(Include Zip Code)*

PART I - To be Completed by Applicant

I hereby apply for a partial cancellation of my Nursing Student Loan in the appropriate amount of principal and interest, in accordance with the Public Health Service Act, as amended, for one complete year of employment as a full-time professional nurse.

NAME AND ADDRESS OF EMPLOYING AGENCY	PERIOD OF EMPLOYMENT *(Beginning - month, day, year)*	*(Ending - month, day, year)*
	SIGNATURE OF APPLICANT	DATE

PART II - Certification by Employing Agency

I hereby certify that the above statements concerning full-time professional nurse employment and period of service are true and correct.

NAME OF APPLICANT	POSITION TITLE OF APPLICANT	
NAME OF EMPLOYING AGENCY	ADDRESS OF EMPLOYING AGENCY	
SIGNATURE OF AUTHORIZED OFFICIAL	TITLE	DATE

PART III - Partial Loan Cancellation (To be completed by Lending School)

The above-named individual's loan account has been credited for partial cancellation for professional employment as a full-time nurse in accordance with the Public Health Service Act, as amended, and Regulations, in the following amounts:

PRINCIPAL $ ____________	INTEREST $ ____________	PROVISION ☐ Nursing Employment - 10% ☐ Nursing Employment - Shortage - 15%	
SIGNATURE OF AUTHORIZING OFFICIAL - LENDING SCHOOL		TITLE	DATE

NIH-1614-16 (FORMERLY PHS-4755-10)
2-70

Form Approved
Budget Bureau No. 68-R847

EXHIBIT C–16

DEPARTMENT OF
HEALTH, EDUCATION, AND WELFARE
PUBLIC HEALTH SERVICE - NATIONAL INSTITUTES OF HEALTH
BUREAU OF HEALTH PROFESSIONS EDUCATION AND MANPOWER TRAINING
DIVISION OF HEALTH MANPOWER EDUCATIONAL SERVICES
STUDENT LOAN AND SCHOLARSHIP BRANCH
9000 ROCKVILLE PIKE
BETHESDA, MD. 20014

REQUEST FOR POSTPONEMENT OF INSTALLMENT PAYMENT

NURSING STUDENT LOAN PROGRAM

INSTRUCTIONS

This form, NIH-1614-17, must be filed in lieu of payment in accordance with the repayment schedule you selected to retire your Nursing Student Loan if you are currently employed as a full-time professional nurse in any public or nonprofit private institution or agency and wish to claim entitlement to partial cancellation of such loan at the end of a complete year of such employment.

Two (2) copies of the form should be executed for each school from which you secured a loan; the original to be filed with the lending school and the second copy to be retained for your records. It is the responsibility of the borrower seeking postponement of installment payment of loan to return this form properly executed to the school from which the loan was made.

Should you terminate such full-time employment as a professional nurse prior to the completion of a year, the installment repayment(s) is immediately due and payable to the lending school.

NAME AND ADDRESS OF SCHOOL FROM WHICH LOAN WAS MADE	NAME AND ADDRESS OF BORROWER	
	DATE GRADUATED	SOCIAL SECURITY NO.

PART I – CERTIFICATION OF EMPLOYMENT *(To be completed by borrower)*

NAME AND ADDRESS OF EMPLOYER	TITLE OF POSITION	
	BEGAN EMPLOYMENT *(Month)* *(Day)* *(Year)*	
	REPAYMENT INSTALLMENT $	DATE DUE

I certify that I am employed full time as a professional nurse as indicated above and expect to complete one year of such employment on *(month, day, year)* ______________________, at which time I shall secure cancellation of a portion of my loan in accordance with the Public Health Service Act, as amended, and Regulations. I therefore request postponement of payment of repayment installment on the date due above.

SIGNATURE OF BORROWER	DATE

PART II – CERTIFICATION OF EMPLOYMENT *(To be completed by Employer)*

I certify that the statements above concerning service of the above-named borrower as a full-time professional nurse are true and correct.

NAME AND ADDRESS OF EMPLOYER	SIGNATURE OF OFFICIAL
	TITLE
	DATE

NIH-1614-17 (FORMERLY PHS-4755-12)
REV. 7-70

FORM APPROVED
BUDGET BUREAU NO. 68.R0847

EXHIBIT D

SCHEDULES OF REPAYMENT PLANS

Exhibit D–1	Interest Rate 4¼%
Exhibit D–2	Interest Rate 4 5/8%
Exhibit D–3	Interest Rate 4¾%
Exhibit D–4	Interest Rate 5 3/8%
Exhibit D–5	Interest Rate 3%
Exhibit D–6	Repayment Schedule for Conversion to September 1 Anniversary Date

EXHIBIT D–1

PLAN I – EQUAL TOTAL PAYMENTS OF PRINCIPAL AND INTEREST

Repayment of $1,000 Over Ten Years

Interest Rate - 4¼ Percent

REPAYMENT SCHEDULE I–A
ANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 42.50	$ 82.34	$ 124.84
2	917.66	39.00	85.84	124.84
3	831.82	35.35	89.49	124.84
4	742.33	31.55	93.29	124.84
5	649.04	27.58	97.26	124.84
6	551.78	23.45	101.39	124.84
7	450.39	19.14	105.70	124.84
8	344.69	14.65	110.19	124.84
9	234.50	9.97	114.87	124.84
10	119.63	5.08	119.63	124.71
		$248.27	$1,000.00	$1,248.27

EXHIBIT D–1

REPAYMENT SCHEDULE I–B
SEMIANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 21.25	$ 40.65	$61.90
2	959.35	20.39	41.51	61.90
3	917.84	19.50	42.40	61.90
4	875.44	18.60	43.30	61.90
5	832.14	17.68	44.22	61.90
6	787.92	16.74	45.16	61.90
7	742.76	15.78	46.12	61.90
8	696.64	14.80	47.10	61.90
9	649.54	13.80	48.10	61.90
10	601.44	12.78	49.12	61.90
11	552.32	11.74	50.16	61.90
12	502.16	10.67	51.23	61.90
13	450.93	9.58	52.32	61.90
14	398.61	8.47	53.43	61.90
15	345.18	7.34	54.56	61.90
16	290.62	6.18	55.72	61.90
17	234.90	4.99	56.91	61.90
18	177.99	3.78	58.12	61.90
19	119.87	2.55	59.35	61.90
20	60.52	1.29	60.52	61.81
		$237.91	$1,000.00	$1,237.91

EXHIBIT D–1

REPAYMENT SCHEDULE I - C
QUARTERLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 10.63	$ 20.19	$ 30.82
2	979.81	10.41	20.41	30.82
3	959.40	10.19	20.63	30.82
4	938.77	9.97	20.85	30.82
5	917.92	9.75	21.07	30.82
6	896.85	9.53	21.29	30.82
7	875.56	9.30	21.52	30.82
8	854.04	9.07	21.75	30.82
9	832.29	8.84	21.98	30.82
10	810.31	8.61	22.21	30.82
11	788.10	8.37	22.45	30.82
12	765.65	8.14	22.68	30.82
13	742.97	7.89	22.93	30.82
14	720.04	7.65	23.17	30.82
15	696.87	7.40	23.42	30.82
16	673.45	7.16	23.66	30.82
17	649.79	6.90	23.92	30.82
18	625.87	6.65	24.17	30.82
19	601.70	6.39	24.43	30.82
20	577.27	6.13	24.69	30.82
21	552.58	5.87	24.95	30.82
22	527.63	5.61	25.21	30.82
23	502.42	5.34	25.48	30.82
24	476.94	5.07	25.75	30.82
25	451.19	4.79	26.03	30.82
26	425.16	4.52	26.30	30.82
27	398.86	4.24	26.58	30.82
28	372.28	3.96	26.86	30.82
29	345.42	3.67	27.15	30.82
30	318.27	3.38	27.44	30.82
31	290.83	3.09	27.73	30.82
32	263.10	2.80	28.02	30.82
33	235.08	2.50	28.32	30.82
34	206.76	2.20	28.62	30.82
35	178.14	1.89	28.93	30.82
36	149.21	1.59	29.23	30.82
37	119.98	1.27	29.55	30.82
38	90.43	.96	29.86	30.82
39	60.57	.64	30.18	30.82
40	30.39	.32	30.39	30.71
		$232.69	$1,000.00	$1,232.69

EXHIBIT D–1 **EXHIBIT D–1**

REPAYMENT SCHEDULE I - D
MONTHLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payments
1	$1,000.00	$ 3.54	$ 6.71	$ 10.25
2	993.29	3.52	6.73	10.25
3	986.56	3.49	6.76	10.25
4	979.80	3.47	6.78	10.25
5	973.02	3.45	6.80	10.25
6	966.22	3.42	6.83	10.25
7	959.39	3.40	6.85	10.25
8	952.54	3.37	6.88	10.25
9	945.66	3.35	6.90	10.25
10	938.76	3.32	6.93	10.25
11	931.83	3.30	6.95	10.25
12	924.88	3.28	6.97	10.25
13	917.91	3.25	7.00	10.25
14	910.91	3.23	7.02	10.25
15	903.89	3.20	7.05	10.25
16	896.84	3.18	7.07	10.25
17	889.77	3.15	7.10	10.25
18	882.67	3.13	7.12	10.25
19	875.55	3.10	7.15	10.25
20	868.40	3.08	7.17	10.25
21	861.23	3.05	7.20	10.25
22	854.03	3.02	7.23	10.25
23	846.80	3.00	7.25	10.25
24	839.55	2.97	7.28	10.25
25	832.27	2.95	7.30	10.25
26	824.97	2.92	7.33	10.25
27	817.64	2.90	7.35	10.25
28	810.29	2.87	7.38	10.25
29	802.91	2.84	7.41	10.25
30	795.50	2.82	7.43	10.25
31	788.07	2.79	7.46	10.25
32	780.61	2.76	7.49	10.25
33	773.12	2.74	7.51	10.25
34	765.61	2.71	7.54	10.25
35	758.07	2.68	7.57	10.25
36	750.50	2.66	7.59	10.25

REPAYMENT SCHEDULE I - D (Continued) **EXHIBIT D–1**

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payments
37	742.91	2.63	7.62	10.25
38	735.29	2.60	7.65	10.25
39	727.64	2.58	7.67	10.25
40	719.97	2.55	7.70	10.25
41	712.27	2.52	7.73	10.25
42	704.54	2.50	7.75	10.25
43	696.79	2.47	7.78	10.25
44	689.01	2.44	7.81	10.25
45	681.20	2.41	7.84	10.25
46	773.36	2.38	7.87	10.25
47	665.49	2.36	7.89	10.25
48	657.60	2.33	7.92	10.25
49	649.68	2.30	7.95	10.25
50	641.73	2.27	7.98	10.25
51	633.75	2.24	8.01	10.25
52	625.74	2.22	8.03	10.25
53	617.71	2.19	8.06	10.25
54	609.65	2.16	8.09	10.25
55	601.56	2.13	8.12	10.25
56	593.44	2.10	8.15	10.25
57	585.29	2.07	8.18	10.25
58	577.11	2.04	8.21	10.25
59	568.90	2.01	8.24	10.25
60	560.66	1.99	8.26	10.25
61	552.40	1.96	8.29	10.25
62	544.11	1.93	8.32	10.25
63	535.79	1.90	8.35	10.25
64	527.44	1.87	8.38	10.25
65	519.06	1.84	8.41	10.25
66	510.65	1.81	8.44	10.25
67	502.21	1.78	8.47	10.25
68	493.74	1.75	8.50	10.25
69	485.24	1.72	8.53	10.25
70	476.71	1.69	8.56	10.25
71	468.15	1.66	8.59	10.25
72	459.56	1.63	8.62	10.25
73	450.94	1.60	8.65	10.25
74	442.29	1.57	8.68	10.25
75	433.61	1.54	8.71	10.25
76	424.90	1.50	8.75	10.25
77	416.15	1.47	8.78	10.25
78	407.37	1.44	8.81	10.25
79	398.56	1.41	8.84	10.25
80	389.72	1.38	8.87	10.25
81	380.85	1.35	8.90	10.25
82	371.95	1.32	8.93	10.25
83	363.02	1.29	8.96	10.25
84	354.06	1.25	9.00	10.25

REPAYMENT SCHEDULE I - D (Continued) **EXHIBIT D–1**

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payments
85	345.06	1.22	9.03	10.25
86	336.03	1.19	9.06	10.25
87	326.97	1.16	9.09	10.25
88	317.88	1.13	9.12	10.25
89	308.76	1.09	9.16	10.25
90	299.60	1.06	9.19	10.25
91	290.41	1.03	9.22	10.25
92	281.19	1.00	9.25	10.25
93	271.94	.96	9.29	10.25
94	262.65	.93	9.32	10.25
95	253.33	.90	9.35	10.25
96	243.98	.86	9.39	10.25
97	234.59	.83	9.42	10.25
98	225.17	.80	9.45	10.25
99	215.72	.76	9.49	10.25
100	206.23	.73	9.52	10.25
101	196.71	.70	9.55	10.25
102	187.16	.66	9.59	10.25
103	177.57	.63	9.62	10.25
104	167.95	.59	9.66	10.25
105	158.29	.56	9.69	10.25
106	148.60	.53	9.72	10.25
107	138.88	.49	9.76	10.25
108	129.12	.46	9.79	10.25
109	119.33	.42	9.83	10.25
110	109.50	.39	9.86	10.25
111	99.64	.35	9.90	10.25
112	89.74	.32	9.93	10.25
113	79.81	.28	9.97	10.25
114	69.84	.25	10.00	10.25
115	59.84	.21	10.04	10.25
116	49.80	.18	10.07	10.25
117	39.73	.14	10.11	10.25
118	29.62	.10	10.15	10.25
119	19.47	.07	10.18	10.25
120	9.29	.03	9.29	9.32
		$229.07	$1,000.00	$1,229.07

PLAN II – EQUAL PAYMENTS ON PRINCIPAL, PLUS INTEREST

Repayment of $1,000.00 Over Ten Years

Interest Rate – 4¼ Percent

REPAYMENT SCHEDULE II - A
ANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payments
1	$ 1,000.00	$ 42.50	$ 100.00	$ 142.50
2	900.00	38.25	100.00	138.25
3	800.00	34.00	100.00	134.00
4	700.00	29.75	100.00	129.75
5	600.00	25.50	100.00	125.50
6	500.00	21.25	100.00	121.25
7	400.00	17.00	100.00	117.00
8	300.00	12.75	100.00	112.75
9	200.00	8.50	100.00	108.50
10	100.00	4.25	100.00	104.25
		$233.75	$1,000.00	$1,233.75

EXHIBIT D–1

REPAYMENT SCHEDULE II - B
SEMIANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payments
1	$ 1,000.00	$ 21.25	$ 50.00	$71.25
2	950.00	20.19	50.00	70.19
3	900.00	19.13	50.00	69.13
4	850.00	18.06	50.00	68.06
5	800.00	17.00	50.00	67.00
6	750.00	15.94	50.00	65.94
7	700.00	14.88	50.00	64.88
8	650.00	13.81	50.00	63.81
9	600.00	12.75	50.00	62.75
10	550.00	11.69	50.00	61.69
11	500.00	10.63	50.00	60.63
12	450.00	9.56	50.00	59.56
13	400.00	8.50	50.00	58.50
14	350.00	7.44	50.00	57.44
15	300.00	6.38	50.00	56.38
16	250.00	5.31	50.00	55.31
17	200.00	4.25	50.00	54.25
18	150.00	3.19	50.00	53.19
19	100.00	2.13	50.00	52.13
20	50.00	1.06	50.00	51.06
		$223.15	$1,000.00	$1,223.15

EXHIBIT D–1

REPAYMENT SCHEDULE II - C
QUARTERLY PAYMENTS.

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payments
1	$ 1,000.00	$ 10.63	$ 25.00	$ 35.63
2	975.00	10.36	25.00	35.36
3	950.00	10.09	25.00	35.09
4	925.00	9.83	25.00	34.83
5	900.00	9.56	25.00	34.56
6	875.00	9.30	25.00	34.30
7	850.00	9.03	25.00	34.03
8	825.00	8.77	25.00	33.77
9	800.00	8.50	25.00	33.50
10	775.00	8.23	25.00	33.23
11	750.00	7.97	25.00	32.97
12	725.00	7.70	25.00	32.70
13	700.00	7.44	25.00	32.44
14	675.00	7.17	25.00	32.17
15	650.00	6.91	25.00	31.91
16	625.00	6.64	25.00	31.64
17	600.00	6.38	25.00	31.38
18	575.00	6.11	25.00	31.11
19	550.00	5.84	25.00	30.84
20	525.00	5.58	25.00	30.58
21	500.00	5.31	25.00	30.31
22	475.00	5.05	25.00	30.05
23	450.00	4.78	25.00	29.78
24	425.00	4.52	25.00	29.52
25	400.00	4.25	25.00	29.25
26	375.00	3.98	25.00	28.98
27	350.00	3.72	25.00	28.72
28	325.00	3.45	25.00	28.45
29	300.00	3.19	25.00	28.19
30	275.00	2.92	25.00	27.92
31	250.00	2.66	25.00	27.66
32	225.00	2.39	25.00	27.39
33	200.00	2.13	25.00	27.13
34	175.00	1.86	25.00	26.86
35	150.00	1.59	25.00	26.59
36	125.00	1.33	25.00	26.33
37	100.00	1.06	25.00	26.06
38	75.00	.80	25.00	25.80
39	50.00	.53	25.00	25.53
40	25.00	.27	25.00	25.27
		$217.83	$1.000.00	$1,217.83

EXHIBIT D–1

REPAYMENT SCHEDULE II - D
MONTHLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 3.54	$ 8.33	$ 11.87
2	991.67	3.51	8.33	11.84
3	983.34	3.48	8.34	11.82
4	975.00	3.45	8.33	11.78
5	966.67	3.42	8.33	11.75
6	958.34	3.39	8.34	11.73
7	950.00	3.36	8.33	11.69
8	941.67	3.34	8.33	11.67
9	933.34	3.31	8.34	11.65
10	925.00	3.28	8.33	11.61
11	916.67	3.25	8.33	11.58
12	908.34	3.22	8.34	11.56
13	900.00	3.19	8.33	11.52
14	891.67	3.16	8.33	11.49
15	883.34	3.13	8.34	11.47
16	875.00	3.10	8.33	11.43
17	866.67	3.07	8.33	11.40
18	858.34	3.04	8.34	11.38
19	850.00	3.01	8.33	11.34
20	841.67	2.98	8.33	11.31
21	833.34	2.95	8.34	11.29
22	825.00	2.92	8.33	11.25
23	816.67	2.89	8.33	11.22
24	808.34	2.86	8.34	11.20
25	800.00	2.83	8.33	11.16
26	791.67	2.80	8.33	11.13
27	783.34	2.77	8.34	11.11
28	775.00	2.74	8.33	11.07
29	766.67	2.72	8.33	11.05
30	758.34	2.69	8.34	11.03
31	750.00	2.66	8.33	10.99
32	741.67	2.63	8.33	10.96
33	733.34	2.60	8.34	10.94
34	725.00	2.57	8.33	10.90
35	716.67	2.54	8.33	10.87
36	708.34	2.51	8.34	10.85

EXHIBIT D–1

REPAYMENT SCHEDULE II - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
37	700.00	2.48	8.33	10.81
38	691.67	2.45	8.33	10.78
39	683.34	2.42	8.34	10.76
40	675.00	2.39	8.33	10.72
41	666.67	2.36	8.33	10.69
42	658.34	2.33	8.34	10.67
43	650.00	2.30	8.33	10.63
44	641.67	2.27	8.33	10.60
45	633.34	2.24	8.34	10.58
46	625.00	2.21	8.33	10.54
47	616.67	2.18	8.33	10.51
48	608.34	2.15	8.34	10.49
49	600.00	2.12	8.33	10.45
50	591.67	2.10	8.33	10.43
51	583.34	2.07	8.34	10.41
52	575.00	2.04	8.33	10.37
53	566.67	2.01	8.33	10.34
54	558.34	1.98	8.34	10.32
55	550.00	1.95	8.33	10.28
56	541.67	1.92	8.33	10.25
57	533.34	1.89	8.34	10.23
58	525.00	1.86	8.33	10.19
59	516.67	1.83	8.33	10.16
60	508.34	1.80	8.34	10.14
61	500.00	1.77	8.33	10.10
62	491.67	1.74	8.33	10.07
63	483.34	1.71	8.34	10.05
64	475.00	1.68	8.33	10.01
65	466.67	1.65	8.33	9.98
66	458.34	1.62	8.34	9.96
67	450.00	1.59	8.33	9.92
68	441.67	1.56	8.33	9.89
69	433.34	1.53	8.34	9.87
70	425.00	1.51	8.33	9.84
71	416.67	1.48	8.33	9.81
72	408.34	1.45	8.34	9.79
73	400.00	1.42	8.33	9.75
74	391.67	1.39	8.33	9.72
75	383.34	1.36	8.34	9.70
76	375.00	1.33	8.33	9.66

EXHIBIT D–1

REPAYMENT SCHEDULE II - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
77	366.67	1.30	8.33	9.63
78	358.34	1.27	8.34	9.61
79	350.00	1.24	8.33	9.57
80	341.67	1.21	8.33	9.54
81	333.34	1.18	8.34	9.52
82	325.00	1.15	8.33	9.48
83	316.67	1.12	8.33	9.45
84	308.34	1.09	8.34	9.43
85	300.00	1.06	8.33	9.39
86	291.67	1.03	8.33	9.36
87	283.34	1.00	8.34	9.34
88	275.00	.97	8.33	9.30
89	266.67	.94	8.33	9.27
90	258.34	.91	8.34	9.25
91	250.00	.89	8.33	9.22
92	241.67	.86	8.33	9.19
93	233.34	.83	8.34	9.17
94	225.00	.80	8.33	9.13
95	216.67	.77	8.33	9.10
96	208.34	.74	8.34	9.08
97	200.00	.71	8.33	9.04
98	191.67	.68	8.33	9.01
99	183.34	.65	8.34	8.99
100	175.00	.62	8.33	8.95
101	166.67	.59	8.33	8.92
102	158.34	.56	8.34	8.90
103	150.00	.53	8.33	8.86
104	141.67	.50	8.33	8.83
105	133.34	.47	8.34	8.81
106	125.00	.44	8.33	8.77
107	116.67	.41	8.33	8.74
108	108.34	.38	8.34	8.72
109	100.00	.35	8.33	8.68
110	91.67	.32	8.33	8.65
111	83.34	.30	8.34	8.64
112	75.00	.27	8.33	8.60
113	66.67	.24	8.33	8.57
114	58.34	.21	8.34	8.55
115	50.00	.18	8.33	8.51
116	41.67	.15	8.33	8.48
117	33.34	.12	8.34	8.46
118	25.00	.09	8.33	8.42
119	16.67	.06	8.33	8.39
120	8.34	.03	8.34	8.37
		$214.27	$1,000.00	$1,214.27

PLAN III – GRADUATED PAYMENTS ON PRINCIPAL PLUS INTEREST

Repayment of $1,000.00 Over Ten Years

Interest Rate - 4¼ Percent

REPAYMENT SCHEDULE III–A
ANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 42.50	$ 25.00	$ 67.50
2	975.00	41.44	41.67	83.11
3	933.33	39.67	58.33	98.00
4	875.00	37.19	75.00	112.19
5	800.00	34.00	91.66	125.66
6	708.34	30.10	108.33	138.43
7	600.01	25.50	125.00	150.50
8	475.01	20.19	141.66	161.85
9	333.35	14.17	158.33	172.50
10	175.02	7.44	175.02	182.46
		$292.20	$1,000.00	$1,292.20

EXHIBIT D–1

REPAYMENT SCHEDULE III - B
SEMIANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 21.25	$ 12.50	$ 33.75
2	987.50	20.98	16.45	37.43
3	971.05	20.63	20.39	41.02
4	950.66	20.20	24.34	44.54
5	926.32	19.68	28.29	47.97
6	898.03	19.08	32.24	51.32
7	865.79	18.40	36.18	54.58
8	829.61	17.63	40.13	57.76
9	789.48	16.78	44.08	60.86
10	745.40	15.84	48.03	63.87
11	697.37	14.82	51.97	66.79
12	645.40	13.71	55.92	69.63
13	589.48	12.53	59.88	72.41
14	529.60	11.25	63.81	75.06
15	465.79	9.90	67.76	77.66
16	398.03	8.46	71.71	80.17
17	326.32	6.93	75.66	82.59
18	250.66	5.33	79.60	84.93
19	171.06	3.64	83.55	87.19
20	87.51	1.86	87.51	89.37
		$278.90	$1,000.00	$1,278.90

EXHIBIT D–1

REPAYMENT SCHEDULE III - C
QUARTERLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 10.63	$ 6.25	$ 16.88
2	993.75	10.56	7.21	17.77
3	986.54	10.48	8.17	18.65
4	978.37	10.40	9.13	19.53
5	969.24	10.30	10.10	20.40
6	959.14	10.19	11.06	21.25
7	948.08	10.07	12.02	22.09
8	936.06	9.95	12.98	22.93
9	923.08	9.81	13.94	23.75
10	909.14	9.66	14.90	24.56
11	894.24	9.50	15.87	25.37
12	878.37	9.33	16.83	26.16
13	861.54	9.15	17.79	26.94
14	843.75	8.96	18.75	27.71
15	825.00	8.77	19.71	28.48
16	805.29	8.56	20.67	29.23
17	784.62	8.34	21.63	29.97
18	762.99	8.11	22.60	30.71
19	740.39	7.87	23.56	31.43
20	716.83	7.62	24.52	32.14
21	692.31	7.36	25.48	32.84
22	666.83	7.09	26.44	33.53
23	640.39	6.80	27.40	34.20
24	612.99	6.51	28.36	34.87
25	584.63	6.21	29.33	35.54
26	555.30	5.90	30.29	36.19
27	525.01	5.58	31.25	36.83
28	493.76	5.25	32.21	37.46
29	461.55	4.90	33.17	38.07
30	428.38	4.55	34.13	38.68
31	394.25	4.19	35.10	39.29
32	359.15	3.82	36.06	39.88
33	323.09	3.43	37.02	40.45
34	286.07	3.04	37.98	41.02
35	248.09	2.64	38.94	41.58
36	209.15	2.22	39.90	42.12
37	169.25	1.80	40.86	42.66
38	128.39	1.36	41.83	43.19
39	86.56	.92	42.79	43.71
40	43.77	.47	43.77	44.24
		$272.30	$1,000.00	$1,272.30

EXHIBIT D–1

REPAYMENT SCHEDULE III - D
MONTHLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 3.54	$ 2.05	$ 5.59
2	997.95	3.53	2.16	5.69
3	995.79	3.53	2.26	5.79
4	993.53	3.52	2.37	5.89
5	991.16	3.51	2.47	5.98
6	988.69	3.50	2.58	6.08
7	986.11	3.49	2.68	6.17
8	983.43	3.48	2.79	6.27
9	980.64	3.47	2.89	6.36
10	977.75	3.46	3.00	6.46
11	974.75	3.45	3.11	6.56
12	971.64	3.44	3.21	6.65
13	968.43	3.43	3.32	6.75
14	965.11	3.42	3.42	6.84
15	961.69	3.41	3.53	6.94
16	958.16	3.39	3.63	7.02
17	954.53	3.38	3.74	7.12
18	950.79	3.37	3.85	7.22
19	946.94	3.35	3.95	7.30
20	942.99	3.34	4.06	7.40
21	938.93	3.33	4.16	7.49
22	934.77	3.31	4.27	7.58
23	930.50	3.30	4.37	7.67
24	926.13	3.28	4.48	7.76
25	921.65	3.26	4.58	7.84
26	917.07	3.25	4.69	7.94
27	912.38	3.23	4.80	8.03
28	907.58	3.21	4.90	8.11
29	902.68	3.20	5.01	8.21
30	897.67	3.18	5.11	8.29
31	892.56	3.16	5.22	8.38
32	887.34	3.14	5.32	8.46
33	882.02	3.12	5.43	8.55
34	876.59	3.10	5.53	8.63
35	871.06	3.08	5.64	8.72
36	865.42	3.06	5.75	8.81

EXHIBIT D–1

REPAYMENT SCHEDULE III - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
37	859.67	3.04	5.85	8.89
38	853.82	3.02	5.96	8.98
39	847.86	3.00	6.06	9.06
40	841.80	2.98	6.17	9.15
41	835.63	2.96	6.27	9.23
42	829.36	2.94	6.38	9.32
43	822.98	2.91	6.49	9.40
44	816.49	2.89	6.59	9.48
45	809.90	2.87	6.70	9.57
46	803.20	2.84	6.80	9.64
47	796.40	2.82	6.91	9.73
48	789.49	2.80	7.01	9.81
49	782.48	2.77	7.12	9.89
50	775.36	2.75	7.22	9.97
51	768.14	2.72	7.33	10.05
52	760.81	2.69	7.44	10.13
53	753.37	2.67	7.54	10.21
54	745.83	2.64	7.65	10.29
55	738.18	2.61	7.75	10.36
56	730.43	2.59	7.86	10.45
57	722.57	2.56	7.96	10.52
58	714.61	2.53	8.07	10.60
59	706.54	2.50	8.17	10.67
60	698.37	2.47	8.28	10.75
61	690.09	2.44	8.39	10.83
62	681.70	2.41	8.49	10.90
63	673.21	2.38	8.60	10.98
64	664.61	2.35	8.70	11.05
65	655.91	2.32	8.81	11.13
66	647.10	2.29	8.91	11.20
67	638.19	2.26	9.02	11.28
68	629.17	2.23	9.13	11.36
69	620.04	2.20	9.23	11.43
70	610.81	2.16	9.34	11.50
71	601.47	2.13	9.44	11.57
72	592.03	2.10	9.55	11.65

EXHIBIT D–1

REPAYMENT SCHEDULE III - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
73	582.48	2.06	9.65	11.71
74	572.83	2.03	9.76	11.79
75	563.97	1.99	9.86	11.85
76	553.21	1.96	9.97	11.93
77	543.24	1.92	10.08	12.00
78	533.16	1.89	10.18	12.07
79	522.98	1.85	10.28	12.13
80	512.70	1.82	10.39	12.21
81	502.31	1.78	10.50	12.28
82	491.81	1.74	10.60	12.34
83	481.21	1.70	10.71	12.41
84	470.50	1.67	10.81	12.48
85	459.69	1.63	10.92	12.55
86	448.77	1.59	11.03	12.62
87	437.74	1.55	11.13	12.68
88	426.61	1.51	11.24	12.75
89	415.37	1.47	11.34	12.81
90	404.03	1.43	11.45	12.88
91	392.58	1.39	11.55	12.94
92	381.03	1.35	11.66	13.01
93	369.37	1.31	11.77	13.08
94	357.60	1.27	11.87	13.14
95	345.73	1.22	11.98	13.20
96	333.75	1.18	12.08	13.26
97	321.67	1.14	12.19	13.33
98	309.48	1.10	12.29	13.39
99	297.19	1.05	12.40	13.45
100	284.79	1.01	12.50	13.51
101	272.29	.96	12.61	13.57
102	259.68	.92	12.72	13.64
103	246.96	.87	12.82	13.69
104	234.14	.83	12.93	13.76
105	221.21	.78	13.03	13.81
106	208.18	.74	13.14	13.88
107	195.04	.69	13.24	13.93
108	181.80	.64	13.35	13.99
109	168.45	.60	13.45	14.05
110	155.00	.55	13.56	14.11
111	141.44	.50	13.67	14.17
112	127.77	.45	13.77	14.22
113	114.00	.40	13.88	14.28
114	100.12	.35	13.98	14.33
115	86.14	.31	14.09	14.40
116	72.05	.26	14.19	14.45
117	57.86	.20	14.30	14.50
118	43.56	.15	14.41	14.56
119	29.15	.10	14.51	14.61
120	14.64	.05	14.64	14.69
120		$268.02	$1,000.00	$1,268.02

PLAN IV – GRADUATED PAYMENTS ON PRINCIPAL PLUS INTEREST

Repayment of $1,000 Over Ten Years

Interest Rate - 4¼ Percent

PAYMENT SCHEDULE IV - A
ANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 42.50	$ 50.00	$ 92.50
2	950.00	40.38	61.11	101.49
3	888.89	37.78	72.22	110.00
4	816.67	34.71	83.33	118.04
5	733.34	31.17	94.44	125.61
6	638.90	27.15	105.55	132.70
7	533.35	22.67	116.67	139.34
8	416.68	17.71	127.78	145.49
9	288.90	12.28	138.89	151.17
10	150.01	6.38	150.01	156.39
		$272.73	$1,000.00	$1,272.73

EXHIBIT D–1

REPAYMENT SCHEDULE IV - B
SEMIANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 21.25	$ 25.00	$ 46.25
2	975.00	20.72	27.63	48.35
3	947.37	20.13	30.26	50.39
4	917.11	19.49	32.89	52.38
5	884.22	18.79	35.53	54.32
6	848.69	18.03	38.16	56.19
7	810.53	17.22	40.79	58.01
8	769.74	16.36	43.42	59.78
9	726.32	15.43	46.05	61.48
10	680.27	14.46	48.68	63.14
11	631.59	13.42	51.32	64.74
12	580.27	12.33	53.95	66.28
13	526.32	11.18	56.58	67.76
14	469.74	9.98	59.21	69.19
15	410.53	8.72	61.84	70.56
16	348.69	7.41	64.47	71.88
17	284.22	6.04	67.10	73.14
18	217.12	4.61	69.74	74.35
19	147.38	3.13	72.37	75.50
20	75.01	1.59	75.01	76.60
		$260.29	$1,000.00	$1,260.29

EXHIBIT D–1

REPAYMENT SCHEDULE IV - C
QUARTERLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 10.63	$ 12.50	$ 23.13
2	987.50	10.49	13.14	23.63
3	974.36	10.35	13.78	24.13
4	960.58	10.21	14.42	24.63
5	946.16	10.05	15.06	25.11
6	931.10	9.89	15.71	25.60
7	915.39	9.73	16.35	26.08
8	899.04	9.55	16.99	26.54
9	882.05	9.37	17.63	27.00
10	864.42	9.18	18.26	27.44
11	846.16	8.99	18.91	27.90
12	827.25	8.79	19.55	28.34
13	807.70	8.58	20.19	28.77
14	787.51	8.37	20.83	29.20
15	766.68	8.15	21.47	29.62
16	745.21	7.92	22.12	30.04
17	723.09	7.68	22.76	30.44
18	700.33	7.44	23.40	30.84
19	676.93	7.19	24.04	31.23
20	652.89	6.94	24.68	31.62
21	628.21	6.67	25.32	31.99
22	602.89	6.41	25.96	32.37
23	576.93	6.13	26.60	32.73
24	550.33	5.85	27.24	33.09
25	523.09	5.56	27.88	33.44
26	495.21	5.26	28.53	33.79
27	466.68	4.96	29.17	34.13
28	437.51	4.65	29.81	34.46
29	407.70	4.33	30.45	34.78
30	377.25	4.01	31.09	35.10
31	346.16	3.68	31.73	35.41
32	314.43	3.34	32.37	35.71
33	282.06	3.00	33.01	36.01
34	249.05	2.65	33.65	36.30
35	215.40	2.29	34.29	36.58
36	181.11	1.92	34.94	36.86
37	146.17	1.55	35.58	37.13
38	110.59	1.18	36.22	37.40
39	74.37	.79	36.86	37.65
40	37.51	.40	37.51	37.91
		$254.13	$1,000.00	$1,254.13

EXHIBIT D–1

REPAYMENT SCHEDULE IV - D
MONTHLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 3.54	$ 4.15	$ 7.69
2	995.85	3.53	4.22	7.75
3	991.63	3.51	4.29	7.80
4	987.34	3.50	4.36	7.86
5	982.98	3.48	4.43	7.91
6	978.55	3.47	4.50	7.97
7	974.05	3.45	4.57	8.02
8	969.48	3.43	4.64	8.07
9	964.84	3.42	4.71	8.13
10	960.13	3.40	4.78	8.18
11	955.35	3.38	4.85	8.23
12	950.50	3.37	4.92	8.29
13	945.58	3.35	4.99	8.34
14	940.59	3.33	5.06	8.39
15	935.53	3.31	5.13	8.44
16	930.40	3.30	5.20	8.50
17	925.20	3.28	5.27	8.55
18	919.93	3.26	5.35	8.61
19	914.58	3.24	5.42	8.66
20	909.16	3.22	5.49	8.71
21	903.67	3.20	5.56	8.76
22	898.11	3.18	5.63	8.81
23	892.48	3.16	5.70	8.86
24	886.78	3.14	5.77	8.91
25	881.01	3.12	5.84	8.96
26	875.17	3.10	5.91	9.01
27	869.26	3.08	5.98	9.06
28	863.28	3.06	6.05	9.11
29	857.23	3.04	6.12	9.16
30	851.11	3.01	6.19	9.20
31	844.92	2.99	6.26	9.25
32	838.66	2.97	6.33	9.30
33	832.33	2.95	6.40	9.35
34	825.93	2.93	6.47	9.40
35	819.46	2.90	6.54	9.44
36	812.92	2.88	6.61	9.49

EXHIBIT D–1

REPAYMENT SCHEDULE IV - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
37	806.31	2.86	6.68	9.54
38	799.63	2.83	6.75	9.58
39	792.88	2.81	6.82	9.63
40	786.06	2.78	6.89	9.67
41	779.17	2.76	6.96	9.72
42	772.21	2.73	7.03	9.76
43	765.18	2.71	7.10	9.81
44	758.08	2.68	7.17	9.85
45	750.91	2.66	7.24	9.90
46	743.67	2.63	7.31	9.94
47	736.36	2.61	7.38	9.99
48	728.98	2.58	7.45	10.03
49	721.53	2.56	7.52	10.08
50	714.01	2.53	7.59	10.12
51	706.42	2.50	7.67	10.17
52	698.75	2.47	7.74	10.21
53	691.01	2.45	7.81	10.26
54	683.20	2.42	7.88	10.30
55	675.32	2.39	7.95	10.34
56	667.37	2.36	8.02	10.38
57	659.35	2.34	8.09	10.43
58	651.26	2.31	8.16	10.47
59	643.10	2.28	8.23	10.51
60	634.87	2.25	8.30	10.55
61	626.57	2.22	8.37	10.59
62	618.20	2.19	8.44	10.63
63	609.76	2.16	8.51	10.67
64	601.25	2.13	8.58	10.71
65	592.67	2.10	8.65	10.75
66	584.02	2.07	8.72	10.79
67	575.30	2.04	8.79	10.83
68	566.51	2.01	8.86	10.87
69	557.65	1.97	8.93	10.90
70	548.72	1.94	9.00	10.94
71	539.72	1.91	9.07	10.98
72	530.65	1.88	9.14	11.02
73	521.51	1.85	9.21	11.06
74	512.30	1.81	9.28	11.09
75	503.02	1.78	9.35	11.13
76	493.67	1.75	9.42	11.17
77	484.25	1.72	9.49	11.21
78	474.76	1.68	9.56	11.24
79	465.20	1.65	9.63	11.28
80	455.57	1.61	9.70	11.31
81	445.87	1.58	9.77	11.35
82	436.10	1.54	9.84	11.38
83	426.26	1.51	9.91	11.42
84	416.35	1.47	9.98	11.45

EXHIBIT D–1

REPAYMENT SCHEDULE IV - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
85	406.37	1.44	10.06	11.50
86	396.31	1.40	10.12	11.52
87	386.19	1.37	10.19	11.56
88	376.00	1.33	10.26	11.59
89	365.74	1.30	10.34	11.64
90	355.40	1.26	10.41	11.67
91	344.99	1.22	10.48	11.70
92	334.51	1.18	10.56	11.74
93	323.95	1.15	10.62	11.77
94	313.33	1.11	10.69	11.80
95	302.64	1.07	10.76	11.83
96	291.88	1.03	10.83	11.86
97	281.05	1.00	10.90	11.90
98	270.15	.96	[illegible]	11.93
99	259.18	.92	11.04	11.96
100	248.14	.88	11.11	11.99
101	237.03	.84	11.18	12.02
102	225.85	.80	11.25	12.05
103	214.60	.76	11.32	12.08
104	203.28	.72	11.39	12.11
105	191.89	.68	11.46	12.14
106	180.43	.64	11.53	12.17
107	168.90	.60	11.60	12.20
108	157.30	.56	11.67	12.23
109	145.63	.52	11.74	12.26
110	133.89	.47	11.81	12.28
111	122.08	.43	11.88	12.31
112	110.20	.39	11.95	12.34
113	98.25	.35	12.02	12.37
114	86.23	.31	12.09	12.40
115	74.14	.26	12.16	12.42
116	61.98	.22	12.23	12.45
117	49.75	.18	12.30	12.48
118	37.45	.13	12.38	12.51
119	25.07	.09	12.45	12.54
120	12.62	.04	12.62	12.66
		$250.16	$1,000.00	$1,250.16

EXHIBIT D–1

PLAN V – GRADUATED PAYMENTS ON PRINCIPAL PLUS INTEREST

Repayment of $1,000.00 Over Ten Years

Interest Rate - 4¼ Percent

REPAYMENT SCHEDULE V – A
ANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 42.50	$ 75.00	$ 117.50
2	925.00	39.31	80.56	119.87
3	844.44	35.89	86.11	122.00
4	758.33	32.23	91.67	123.90
5	666.66	28.33	97.22	125.55
6	569.44	24.20	102.78	126.98
7	466.66	19.83	108.33	128.16
8	358.33	15.23	113.89	129.12
9	244.44	10.39	119.44	129.83
10	125.00	5.31	125.00	130.31
		$253.22	$1,000.00	$1,253.22

EXHIBIT D–1

REPAYMENT SCHEDULE V - B
SEMIANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 21.25	$ 37.50	$ 58.75
2	962.50	20.45	38.82	59.27
3	923.68	19.63	40.13	59.76
4	883.55	18.78	41.45	60.23
5	842.10	17.89	42.76	60.65
6	799.34	16.99	44.08	61.07
7	755.26	16.05	45.39	61.44
8	709.87	15.08	46.71	61.79
9	663.16	14.09	48.03	62.12
10	615.13	13.07	49.34	62.41
11	565.79	12.02	50.66	62.68
12	515.13	10.95	51.97	62.92
13	463.16	9.84	53.29	63.13
14	409.87	8.71	54.60	63.31
15	355.27	7.55	55.92	63.47
16	299.35	6.36	57.24	63.60
17	242.11	5.14	58.55	63.69
18	183.56	3.90	59.87	63.77
19	123.69	2.63	61.18	63.81
20	62.51	1.33	62.51	63.84
		$241.71	$1,000.00	$1,241.71

EXHIBIT D–1

REPAYMENT SCHEDULE V - C
QUARTERLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 10.63	$ 18.75	$ 29.38
2	981.25	10.43	19.07	29.50
3	962.18	10.22	19.39	29.61
4	942.79	10.02	19.71	29.73
5	923.08	9.81	20.03	29.84
6	903.05	9.59	20.35	29.94
7	882.70	9.38	20.67	30.05
8	862.03	9.16	20.99	30.15
9	841.04	8,94	21.31	30.25
10	819.73	8.71	21.63	30.34
11	798.10	8.48	21.96	30.44
12	776.14	8.25	22.28	30.53
13	753.86	8.01	22.60	30.61
14	731.26	7.77	22.92	30.69
15	708.34	7.53	23.24	30.77
16	685.10	7.28	23.56	30.84
17	661.54	7.03	23.88	30.91
18	637.66	6.78	24.20	30.98
19	613.46	6.52	24.52	31.04
20	588.94	6.26	24.84	31.10
21	564.10	5.99	25.16	31.15
22	538.94	5.73	25.48	31.21
23	513.46	5.46	25.80	31.26
24	487.66	5.18	26.12	31.30
25	461.54	4.90	26.44	31.34
26	435.10	4.62	26.76	31.38
27	408.34	4.34	27.08	31.42
28	381.26	4.05	27.40	31.45
29	353.86	3.76	27.72	31.48
30	326.14	3.47	28.04	31.51
31	298.10	3.17	28.37	31.54
32	269.73	2.87	28.69	31.56
33	241.04	2.56	29.01	31.57
34	212.03	2.25	29.33	31.58
35	182.70	1.94	29.65	31.59
36	153.05	1.63	29.97	31.60
37	123.08	1.31	30.29	31.60
38	92.79	.99	30.61	31.60
39	62.18	.66	30.93	31.59
40	31.25	.33	31.25	31.58
		$236.01	$1,000.00	$1,236.01

EXHIBIT D–1

REPAYMENT SCHEDULE V - D
MONTHLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 3.54	$ 6.25	$ 9.79
2	993.75	3.52	6.29	9.81
3	987.46	3.50	6.32	9.82
4	981.14	3.47	6.35	9.82
5	974.79	3.45	6.39	9.84
6	968.40	3.43	6.43	9.86
7	961.97	3.41	6.46	9.87
8	955.51	3.38	6.49	9.87
9	949.02	3.36	6.53	9.89
10	942.49	3.34	6.57	9.91
11	935.92	3.31	6.60	9.91
12	929.32	3.29	6.63	9.92
13	922.69	3.27	6.67	9.94
14	916.02	3.24	6.71	9.95
15	909.31	3.22	6.74	9.96
16	902.57	3.20	6.77	9.97
17	895.80	3.17	6.81	9.98
18	888.99	3.15	6.85	10.00
19	882.14	3.12	6.88	10.00
20	875.26	3.10	6.91	10.01
21	868.35	3.08	6.95	10.03
22	861.40	3.05	6.99	10.04
23	854.41	3.03	7.02	10.05
24	847.39	3.00	7.05	10.05
25	840.34	2.98	7.09	10.07
26	833.25	2.95	7.13	10.08
27	826.12	2.93	7.16	10.09
28	818.96	2.90	7.19	10.09
29	811.77	2.87	7.23	10.10
30	804.54	2.85	7.27	10.12
31	797.27	2.82	7.30	10.12
32	789.97	2.80	7.33	10.13
33	782.64	2.77	7.37	10.14
34	775.27	2.75	7.41	10.16
35	767.86	2.72	7.44	10.16
36	760.42	2.69	7.47	10.16

EXHIBIT D–1

REPAYMENT SCHEDULE V - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
37	752.95	2.67	7.51	10.18
38	745.44	2.64	7.55	10.19
39	737.89	2.61	7.58	10.19
40	730.31	2.59	7.61	10.20
41	722.70	2.56	7.65	10.21
42	715.05	2.53	7.69	10.22
43	707.36	2.51	7.72	10.23
44	699.64	2.48	7.75	10.23
45	691.89	2.45	7.79	10.24
46	684.10	2.42	7.83	10.25
47	676.27	2.40	7.86	10.26
48	668.41	2.37	7.89	10.26
49	660.52	2.34	7.93	10.27
50	652.59	2.31	7.97	10.28
51	644.62	2.28	8.00	10.28
52	636.62	2.25	8.03	10.28
53	628.59	2.23	8.07	10.30
54	620.52	2.20	8.11	10.31
55	612.41	2.17	8.14	10.31
56	604.27	2.14	8.17	10.31
57	596.10	2.11	8.21	10.32
58	587.89	2.08	8.25	10.33
59	579.64	2.05	8.28	10.33
60	571.36	2.02	8.31	10.33
61	563.05	1.99	8.35	10.34
62	554.70	1.96	8.39	10.35
63	546.31	1.93	8.42	10.35
64	537.89	1.90	8.45	10.35
65	529.44	1.88	8.49	10.37
66	520.95	1.84	8.53	10.37
67	512.42	1.81	8.56	10.37
68	503.86	1.78	8.59	10.37
69	495.27	1.75	8.63	10.38
70	486.64	1.72	8.67	10.39
71	477.97	1.69	8.70	10.39
72	469.27	1.66	8.73	10.39
73	460.54	1.63	8.77	10.40
74	451.77	1.60	8.81	10.41
75	442.96	1.57	8.84	10.41
76	434.12	1.54	8.87	10.41
77	425.25	1.51	8.91	10.42
78	416.34	1.47	8.95	10.42
79	407.39	1.44	8.98	10.42
80	398.41	1.41	9.01	10.42
81	389.40	1.38	9.05	10.43
82	380.35	1.35	9.09	10.44
83	371.26	1.31	9.12	10.43
84	362.14	1.28	9.15	10.43

EXHIBIT D–1

REPAYMENT SCHEDULE V - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
85	352.99	1.25	9.19	10.44
86	343.80	1.22	9.23	10.45
87	334.57	1.18	9.26	10.44
88	325.31	1.15	9.29	10.44
89	316.02	1.12	9.33	10.45
90	306.69	1.09	9.37	10.46
91	297.32	1.05	9.40	10.45
92	287.92	1.02	9.43	10.45
93	278.49	.99	9.47	10.46
94	269.02	.95	9.51	10.46
95	259.51	.92	9.54	10.46
96	249.97	.89	9.57	10.46
97	240.40	.85	9.61	10.46
98	230.79	.82	9.65	10.47
99	221.14	.78	9.68	10.46
100	211.46	.75	9.71	10.46
101	201.75	.71	9.75	10.46
102	192.00	.68	9.79	10.47
103	182.21	.65	9.82	10.47
104	172.39	.61	9.85	10.46
105	162.54	.58	9.89	10.47
106	152.65	.54	9.93	10.47
107	142.72	.51	9.96	10.47
108	132.76	.47	9.99	10.46
109	122.77	.43	10.03	10.46
110	112.74	.40	10.07	10.47
111	102.67	.36	10.10	10.46
112	92.57	.33	10.13	10.46
113	82.44	.29	10.17	10.46
114	72.27	.26	10.21	10.47
115	62.06	.22	10.24	10.46
116	51.82	.18	10.27	10.45
117	41.55	.15	10.31	10.46
118	31.24	.11	10.35	10.46
119	20.89	.07	10.38	10.45
120	10.51	.04	10.51	10.55
		$232.09	$1,000.00	$1,232.09

EXHIBIT D–2

PLAN I – EQUAL TOTAL PAYMENTS OF PRINCIPAL AND INTEREST

Repayment of $1,000 Over Ten Years

Interest Rate - 4 5/8 Percent

REPAYMENT SCHEDULE 1–A
ANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 46.25	$ 80.91	$ 127.16
2	919.09	42.51	84.65	127.16
3	834.44	38.59	88.57	127.16
4	745.87	34.50	92.66	127.16
5	653.21	30.21	96.95	127.16
6	556.26	25.73	101.43	127.16
7	454.83	21.04	106.12	127.16
8	348.71	16.13	111.03	127.16
9	237.68	10.99	116.17	127.16
10	121.51	5.62	121.51	127.13
		$271.57	$1,000.00	$1,271.57

EXHIBIT D–2

REPAYMENT SCHEDULE I–B
SEMIANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 23.13	$ 39.89	$ 63.02
2	960.11	22.21	40.81	63.02
3	919.30	21.26	41.76	63.02
4	877.54	20.30	42.72	63.02
5	834.82	19.31	43.71	63.02
6	791.11	18.30	44.72	63.02
7	746.39	17.26	45.76	63.02
8	700.63	16.21	46.81	63.02
9	653.82	15.12	47.90	63.02
10	605.92	14.01	49.01	63.02
11	556.91	12.88	50.14	63.02
12	506.77	11.72	51.30	63.02
13	455.47	10.54	52.48	63.02
14	402.99	9.32	53.70	63.02
15	349.29	8.08	54.94	63.02
16	294.35	6.81	56.21	63.02
17	238.14	5.51	57.51	63.02
18	180.63	4.18	58.84	63.02
19	121.79	2.82	60.20	63.02
20	61.59	1.42	61.59	63.01
		$260.39	$1,000.00	$1,260.39

EXHIBIT D–2

REPAYMENT SCHEDULE I - C
QUARTERLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 11.56	$ 19.81	$ 31.37
2	980.19	11.33	20.04	31.37
3	960.15	11.10	20.27	31.37
4	939.88	10.87	20.50	31.37
5	919.38	10.63	20.74	31.37
6	898.64	10.39	20.98	31.37
7	877.66	10.15	21.22	31.37
8	856.44	9.90	21.47	31.37
9	834.97	9.65	21.72	31.37
10	813.25	9.40	21.97	31.37
11	791.28	9.15	22.22	31.37
12	769.06	8.89	22.48	31.37
13	746.58	8.63	22.74	31.37
14	723.84	8.37	23.00	31.37
15	700.84	8.10	23.27	31.37
16	677.57	7.83	23.54	31.37
17	654.03	7.56	23.81	31.37
18	630.22	7.29	24.08	31.37
19	606.14	7.01	24.36	31.37
20	581.78	6.73	24.64	31.37
21	557.14	6.44	24.93	31.37
22	532.21	6.15	25.22	31.37
23	506.99	5.86	25.51	31.37
24	481.48	5.57	25.80	31.37
25	455.68	5.27	26.10	31.37
26	429.58	4.97	26.40	31.37
27	403.18	4.66	26.71	31.37
28	376.47	4.35	27.02	31.37
29	349.45	4.04	27.33	31.37
30	322.12	3.72	27.65	31.37
31	294.47	3.40	27.97	31.37
32	266.50	3.08	28.29	31.37
33	238.21	2.75	28.62	31.37
34	209.59	2.42	28.95	31.37
35	180.64	2.09	29.28	31.37
36	151.36	1.75	29.62	31.37
37	121.74	1.41	29.96	31.37
38	91.78	1.06	30.31	31.37
39	61.47	.71	30.66	31.37
40	30.81	.35	30.81	31.16
		$254.59	$1,000.00	$ 1,254.59

EXHIBIT D–2

REPAYMENT SCHEDULE I - D
MONTHLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 3.85	$ 6.57	$ 10.42
2	993.43	3.82	6.60	10.42
3	986.83	3.80	6.62	10.42
4	980.21	3.77	6.65	10.42
5	973.56	3.75	6.67	10.42
6	966.89	3.72	6.70	10.42
7	960.19	3.70	6.72	10.42
8	953.47	3.67	6.75	10.42
9	946.72	3.64	6.78	10.42
10	939.94	3.62	6.80	10.42
11	933.14	3.59	6.83	10.42
12	926.31	3.57	6.85	10.42
13	919.46	3.54	6.88	10.42
14	912.58	3.51	6.91	10.42
15	905.67	3.49	6.93	10.42
16	898.74	3.46	6.96	10.42
17	891.78	3.43	6.99	10.42
18	884.79	3.41	7.01	10.42
19	877.78	3.38	7.04	10.42
20	870.74	3.35	7.07	10.42
21	863.67	3.33	7.09	10.42
22	856.58	3.30	7.12	10.42
23	849.46	3.27	7.15	10.42
24	842.31	3.24	7.18	10.42
25	835.13	3.22	7.20	10.42
26	827.93	3.19	7.23	10.42
27	820.70	3.16	7.26	10.42
28	813.44	3.13	7.29	10.42
29	806.15	3.10	7.32	10.42
30	798.83	3.08	7.34	10.42
31	791.49	3.05	7.37	10.42
32	784.12	3.02	7.40	10.42
33	776.72	2.99	7.43	10.42
34	769.29	2.96	7.46	10.42
35	761.83	2.93	7.49	10.42
36	754.34	2.90	7.52	10.42

EXHIBIT D–2

REPAYMENT SCHEDULE I - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
37	746.82	2.88	7.54	10.42
38	739.28	2.85	7.57	10.42
39	731.71	2.82	7.60	10.42
40	724.11	2.79	7.63	10.42
41	716.48	2.76	7.66	10.42
42	708.82	2.73	7.69	10.42
43	701.13	2.70	7.72	10.42
44	693.41	2.67	7.75	10.42
45	685.66	2.64	7.78	10.42
46	677.88	2.61	7.81	10.42
47	670.07	2.58	7.84	10.42
48	662.23	2.55	7.87	10.42
49	654.36	2.52	7.90	10.42
50	646.46	2.49	7.93	10.42
51	638.53	2.46	7.96	10.42
52	630.57	2.43	7.99	10.42
53	622.58	2.40	8.02	10.42
54	614.56	2.37	8.05	10.42
55	606.51	2.34	8.08	10.42
56	598.43	2.30	8.12	10.42
57	590.31	2.27	8.15	10.42
58	582.16	2.24	8.18	10.42
59	573.98	2.21	8.21	10.42
60	565.77	2.18	8.24	10.42
61	557.53	2.15	8.27	10.42
62	549.26	2.11	8.31	10.42
63	540.95	2.08	8.34	10.42
64	532.61	2.05	8.37	10.42
65	524.24	2.02	8.40	10.42
66	515.84	1.99	8.43	10.42
67	507.41	1.95	8.47	10.42
68	498.94	1.92	8.50	10.42
69	490.44	1.89	8.53	10.42
70	481.91	1.86	8.56	10.42
71	473.35	1.82	8.60	10.42
72	464.75	1.79	8.63	10.42
73	456.12	1.76	8.66	10.42
74	447.46	1.72	8.70	10.42
75	438.76	1.69	8.73	10.42
76	430.03	1.66	8.76	10.42
77	421.27	1.62	8.80	10.42
78	412.47	1.59	8.83	10.42
79	403.64	1.55	8.87	10.42
80	394.77	1.52	8.90	10.42
81	385.87	1.49	8.93	10.42
82	376.94	1.45	8.97	10.42
83	367.97	1.42	9.00	10.42
84	358.97	1.38	9.04	10.42

EXHIBIT D–2

REPAYMENT SCHEDULE I - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
85	349.93	1.35	9.07	10.42
86	340.86	1.31	9.11	10.42
87	331.75	1.28	9.14	10.42
88	322.61	1.24	9.18	10.42
89	313.43	1.21	9.21	10.42
90	304.22	1.17	9.25	10.42
91	294.97	1.14	9.28	10.42
92	285.69	1.10	9.32	10.42
93	276.37	1.06	9.36	10.42
94	267.01	1.03	9.39	10.42
95	257.62	.99	9.43	10.42
96	248.19	.96	9.46	10.42
97	238.73	.92	9.50	10.42
98	229.23	.88	9.54	10.42
99	219.69	.85	9.57	10.42
100	210.12	.81	9.61	10.42
101	200.51	.77	9.65	10.42
102	190.86	.73	9.69	10.42
103	181.17	.70	9.72	10.42
104	171.45	.66	9.76	10.42
105	161.69	.62	9.80	10.42
106	151.89	.58	9.84	10.42
107	142.05	.55	9.87	10.42
108	132.18	.51	9.91	10.42
109	122.27	.47	9.95	10.42
110	112.32	.43	9.99	10.42
111	102.33	.39	10.03	10.42
112	92.30	.36	10.06	10.42
113	82.24	.32	10.10	10.42
114	72.14	.28	10.14	10.42
115	62.00	.24	10.18	10.42
116	51.82	.20	10.22	10.42
117	41.60	.16	10.26	10.42
118	31.34	.12	10.30	10.42
119	21.04	.08	10.34	10.42
120	10.70	.04	10.70	10.74
		$250.72	$1,000.00	$1,250.72

EXHIBIT D–2

PLAN II – EQUAL PAYMENTS ON PRINCIPAL, PLUS INTEREST

Repayment of $1,000.00 Over Ten Years

Interest Rate – 4 5/8 Percent

REPAYMENT SCHEDULE II–A
ANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 46.25	$ 100.00	$ 146.25
2	900.00	41.63	100.00	141.63
3	800.00	37.00	100.00	137.00
4	700.00	32.38	100.00	132.38
5	600.00	27.75	100.00	127.75
6	500.00	23.13	100.00	123.13
7	400.00	18.50	100.00	118.50
8	300.00	13.88	100.00	113.88
9	200.00	9.25	100.00	109.25
10	100.00	4.63	100.00	104.63
		$254.40	$1,000.00	$1,254.40

EXHIBIT D–2

REPAYMENT SCHEDULE II – B
SEMIANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 23.13	$ 50.00	$ 73.13
2	950.00	21.97	50.00	71.97
3	900.00	20.82	50.00	70.82
4	850.00	19.66	50.00	69.66
5	800.00	18.50	50.00	68.50
6	750.00	17.35	50.00	67.35
7	700.00	16.19	50.00	66.19
8	650.00	15.03	50.00	65.03
9	600.00	13.88	50.00	63.88
10	550.00	12.72	50.00	62.72
11	500.00	11.57	50.00	61.57
12	450.00	10.41	50.00	60.41
13	400.00	9.25	50.00	59.25
14	350.00	8.10	50.00	58.10
15	300.00	6.94	50.00	56.94
16	250.00	5.78	50.00	55.78
17	200.00	4.63	50.00	54.63
18	150.00	3.47	50.00	53.47
19	100.00	2.31	50.00	52.31
20	50.00	1.16	50.00	51.16
		$242.87	$1,000.00	$1,242.87

EXHIBIT D–2

REPAYMENT SCHEDULE II – C
QUARTERLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 11.56	$ 25.00	$ 36.56
2	975.00	11.27	25.00	36.27
3	950.00	10.98	25.00	35.98
4	925.00	10.69	25.00	35.69
5	900.00	10.40	25.00	35.40
6	875.00	10.12	25.00	35.12
7	850.00	9.83	25.00	34.83
8	825.00	9.54	25.00	34.54
9	800.00	9.25	25.00	34.25
10	775.00	8.96	25.00	33.96
11	750.00	8.67	25.00	33.67
12	725.00	8.38	25.00	33.38
13	700.00	8.09	25.00	33.09
14	675.00	7.80	25.00	32.80
15	650.00	7.51	25.00	32.51
16	625.00	7.23	25.00	32.23
17	600.00	6.94	25.00	31.94
18	575.00	6.65	25.00	31.65
19	550.00	6.36	25.00	31.36
20	525.00	6.07	25.00	31.07
21	500.00	5.78	25.00	30.78
22	475.00	5.49	25.00	30.49
23	450.00	5.20	25.00	30.20
24	425.00	4.91	25.00	29.91
25	400.00	4.62	25.00	29.62
26	375.00	4.34	25.00	29.34
27	350.00	4.05	25.00	29.05
28	325.00	3.76	25.00	28.76
29	300.00	3.47	25.00	28.47
30	275.00	3.18	25.00	28.18
31	250.00	2.89	25.00	27.89
32	225.00	2.60	25.00	27.60
33	200.00	2.31	25.00	27.31
34	175.00	2.02	25.00	27.02
35	150.00	1.73	25.00	26.73
36	125.00	1.45	25.00	26.45
37	100.00	1.16	25.00	26.16
38	75.00	.87	25.00	25.87
39	50.00	.58	25.00	25.58
40	25.00	.29	25.00	25.29
		$237.00	$1,000.00	$1,237.00

EXHIBIT D–2

REPAYMENT SCHEDULE II – D
MONTHLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 3.85	$ 8.33	$ 12.18
2	991.67	3.82	8.33	12.15
3	983.34	3.79	8.34	12.13
4	975.00	3.75	8.33	12.08
5	966.67	3.72	8.33	12.05
6	958.34	3.69	8.34	12.03
7	950.00	3.66	8.33	11.99
8	941.67	3.63	8.33	11.96
9	933.34	3.59	8.34	11.93
10	925.00	3.56	8.33	11.89
11	916.67	3.53	8.33	11.86
12	908.34	3.50	8.34	11.84
13	900.00	3.47	8.33	11.80
14	891.67	3.43	8.33	11.76
15	883.34	3.40	8.34	11.74
16	875.00	3.37	8.33	11.70
17	866.67	3.34	8.33	11.67
18	858.34	3.30	8.34	11.64
19	850.00	3.27	8.33	11.60
20	841.67	3.24	8.33	11.57
21	833.34	3.21	8.34	11.55
22	825.00	3.18	8.33	11.51
23	816.67	3.14	8.33	11.47
24	808.34	3.11	8.34	11.45
25	800.00	3.08	8.33	11.41
26	791.67	3.05	8.33	11.38
27	783.34	3.02	8.34	11.36
28	775.00	2.98	8.33	11.31
29	766.67	2.95	8.33	11.28
30	758.34	2.92	8.34	11.26
31	750.00	2.89	8.33	11.22
32	741.67	2.86	8.33	11.19
33	733.34	2.82	8.34	11.16
34	725.00	2.79	8.33	11.12
35	716.67	2.76	8.33	11.09
36	708.34	2.73	8.34	11.07

REPAYMENT SCHEDULE II - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
37	700.00	2.70	8.33	11.03
38	691.67	2.66	8.33	10.99
39	683.34	2.63	8.34	10.97
40	675.00	2.60	8.33	10.93
41	666.67	2.57	8.33	10.90
42	658.34	2.53	8.34	10.87
43	650.00	2.50	8.33	10.83
44	641.67	2.47	8.33	10.80
45	633.34	2.44	8.34	10.78
46	625.00	2.41	8.33	10.74
47	616.67	2.37	8.33	10.70
48	608.34	2.34	8.34	10.68
49	600.00	2.31	8.33	10.64
50	591.67	2.28	8.33	10.61
51	583.34	2.25	8.34	10.59
52	575.00	2.21	8.33	10.54
53	566.67	2.18	8.33	10.51
54	558.34	2.15	8.34	10.49
55	550.00	2.12	8.33	10.45
56	541.67	2.09	8.33	10.42
57	533.34	2.05	8.34	10.39
58	525.00	2.02	8.33	10.35
59	516.67	1.99	8.33	10.32
60	508.34	1.96	8.34	10.30
61	500.00	1.93	8.33	10.26
62	491.67	1.89	8.33	10.22
63	483.34	1.86	8.34	10.20
64	475.00	1.83	8.33	10.16
65	466.67	1.80	8.33	10.13
66	458.34	1.76	8.34	10.10
67	450.00	1.73	8.33	10.06
68	441.67	1.70	8.33	10.03
69	433.34	1.67	8.34	10.01
70	425.00	1.64	8.33	9.97
71	416.67	1.60	8.33	9.93
72	408.34	1.57	8.34	9.91
73	400.00	1.54	8.33	9.87
74	391.67	1.51	8.33	9.84
75	383.34	1.48	8.34	9.82
76	375.00	1.44	8.33	9.77
77	366.67	1.41	8.33	9.74
78	358.34	1.38	8.34	9.72
79	350.00	1.35	8.33	9.68
80	341.67	1.32	8.33	9.65
81	333.34	1.28	8.34	9.62
82	325.00	1.25	8.33	9.58
83	316.67	1.22	8.33	9.55
84	308.34	1.19	8.34	9.53

EXHIBIT D–2

REPAYMENT SCHEDULE II - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
85	300.00	1.16	8.33	9.49
86	291.67	1.12	8.33	9.45
87	283.34	1.09	8.34	9.43
88	275.00	1.06	8.33	9.39
89	266.67	1.03	8.33	9.36
90	258.34	.99	8.34	9.33
91	250.00	.96	8.33	9.29
92	241.67	.93	8.33	9.26
93	233.34	.90	8.34	9.24
94	225.00	.87	8.33	9.20
95	216.67	.83	8.33	9.16
96	208.34	.80	8.34	9.14
97	200.00	.77	8.33	9.10
98	191.67	.74	8.33	9.07
99	183.34	.71	8.34	9.05
100	175.00	.67	8.33	9.00
101	166.67	.64	8.33	8.97
102	158.34	.61	8.34	8.95
103	150.00	.58	8.33	8.91
104	141.67	.55	8.33	8.88
105	133.34	.51	8.34	8.85
106	125.00	.48	8.33	8.81
107	116.67	.45	8.33	8.78
108	108.34	.42	8.34	8.76
109	100.00	.39	8.33	8.72
110	91.67	.35	8.33	8.68
111	83.34	.32	8.34	8.66
112	75.00	.29	8.33	8.62
113	66.67	.26	8.33	8.59
114	58.34	.22	8.34	8.56
115	50.00	.19	8.33	8.52
116	41.67	.16	8.33	8.49
117	33.34	.13	8.34	8.47
118	25.00	.10	8.33	8.43
119	16.67	.06	8.33	8.39
120	8.34	.03	8.34	8.37
		$232.95	$1,000.00	$1,232.95

EXHIBIT D–2

PLAN III – GRADUATED PAYMENTS ON PRINCIPAL, PLUS INTEREST

Repayment of $1,000.00 Over Ten Years

Interest Rate – 4 5/8 Percent

REPAYMENT SCHEDULE III - A
ANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 46.25	$ 25.00	$ 71.25
2	975.00	45.09	41.67	86.76
3	933.33	43.17	58.33	101.50
4	875.00	40.47	75.00	115.47
5	800.00	37.00	91.66	128.66
6	708.34	32.76	108.33	141.09
7	600.01	27.75	125.00	152.75
8	475.01	21.97	141.66	163.63
9	333.35	15.42	158.33	173.75
10	175.02	8.09	175.02	183.11
		$317.97	$1,000.00	$1,317.97

EXHIBIT D–2

REPAYMENT SCHEDULE III - B
SEMIANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 23.13	$ 12.50	$ 35.63
2	987.50	22.84	16.45	39.29
3	971.05	22.46	20.39	42.85
4	950.66	21.99	24.34	46.33
5	926.32	21.43	28.29	49.72
6	898.03	20.77	32.24	53.01
7	865.79	20.03	36.18	56.21
8	829.61	19.19	40.13	59.32
9	789.48	18.26	44.08	62.34
10	745.40	17.24	48.03	65.27
11	697.37	16.13	51.97	68.10
12	645.40	14.93	55.92	70.85
13	589.48	13.63	59.88	73.51
14	529.60	12.25	63.81	76.06
15	465.79	10.77	67.76	78.53
16	398.03	9.21	71.71	80.92
17	326.32	7.55	75.66	83.21
18	250.66	5.80	79.60	85.40
19	171.06	3.96	83.55	87.51
20	87.51	2.02	87.51	89.53
		$303.59	$1,000.00	$1,303.59

EXHIBIT D–2

REPAYMENT SCHEDULE III - C
QUARTERLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 11.56	$ 6.25	$ 17.81
2	993.75	11.49	7.21	18.70
3	986.54	11.40	8.17	19.57
4	978.37	11.31	9.13	20.44
5	969.24	11.20	10.10	21.30
6	959.14	11.09	11.06	22.15
7	948.08	10.96	12.02	22.98
8	936.06	10.82	12.98	23.80
9	923.08	10.67	13.94	24.61
10	909.14	10.51	14.90	25.41
11	894.24	10.34	15.87	26.21
12	878.37	10.15	16.83	26.98
13	861.54	9.96	17.79	27.75
14	843.75	9.75	18.75	28.50
15	825.00	9.54	19.71	29.25
16	805.29	9.31	20.67	29.98
17	784.62	9.07	21.63	30.70
18	762.99	8.82	22.60	31.42
19	740.39	8.56	23.56	32.12
20	716.83	8.29	24.52	32.81
21	692.31	8.00	25.48	33.48
22	666.83	7.71	26.44	34.15
23	640.39	7.40	27.40	34.80
24	612.99	7.09	28.36	35.45
25	584.63	6.76	29.33	36.09
26	555.30	6.42	30.29	36.71
27	525.01	6.07	31.25	37.32
28	493.76	5.71	32.21	37.92
29	461.55	5.34	33.17	38.51
30	428.38	4.95	34.13	39.08
31	394.25	4.56	35.10	39.66
32	359.15	4.15	36.06	40.21
33	323.09	3.73	37.02	40.75
34	286.07	3.31	37.98	41.29
35	248.09	2.87	38.94	41.81
36	209.15	2.42	39.90	42.32
37	169.25	1.96	40.86	42.82
38	128.39	1.43	41.83	43.31
39	86.56	1.00	42.79	43.79
40	43.77	.51	43.77	44.28
		$296.24	$1,000.00	$1,296.24

EXHIBIT D–2

REPAYMENT SCHEDULE III - D
MONTHLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 3.85	$ 2.05	$ 5.90
2	997.95	3.84	2.16	6.00
3	995.79	3.83	2.26	6.09
4	993.53	3.83	2.37	6.20
5	991.16	3.82	2.47	6.29
6	988.69	3.81	2.58	6.39
7	986.11	3.80	2.68	6.48
8	983.43	3.79	2.79	6.58
9	980.64	3.78	2.89	6.67
10	977.75	3.76	3.00	6.76
11	974.75	3.75	3.11	6.86
12	971.64	3.74	3.21	6.95
13	968.43	3.73	3.32	7.05
14	965.11	3.72	3.42	7.14
15	961.69	3.70	3.53	7.23
16	958.16	3.69	3.63	7.32
17	954.53	3.67	3.74	7.41
18	950.79	3.66	3.85	7.51
19	946.94	3.65	3.95	7.60
20	942.99	3.63	4.06	7.69
21	938.93	3.61	4.16	7.77
22	934.77	3.60	4.27	7.87
23	930.50	3.58	4.37	7.95
24	926.13	3.57	4.48	8.05
25	921.65	3.55	4.58	8.13
26	917.07	3.53	4.69	8.22
27	912.38	3.51	4.80	8.31
28	907.58	3.49	4.90	8.39
29	902.68	3.48	5.01	8.49
30	897.67	3.46	5.11	8.57
31	892.56	3.44	5.22	8.66
32	887.34	3.42	5.32	8.74
33	882.02	3.40	5.43	8.83
34	876.59	3.37	5.53	8.90
35	871.06	3.35	5.64	8.99
36	865.42	3.33	5.75	9.08

EXHIBIT D–2

REPAYMENT SCHEDULE III - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
37	859.67	3.31	5.85	9.16
38	853.82	3.29	5.96	9.25
39	847.86	3.26	6.06	9.32
40	841.80	3.24	6.17	9.41
41	835.63	3.22	6.27	9.49
42	829.36	3.19	6.38	9.57
43	822.98	3.17	6.49	9.66
44	816.49	3.14	6.59	9.73
45	809.90	3.12	6.70	9.82
46	803.20	3.09	6.80	9.89
47	796.40	3.07	6.91	9.98
48	789.49	3.04	7.01	10.05
49	782.48	3.01	7.12	10.13
50	775.36	2.99	7.22	10.21
51	768.14	2.96	7.33	10.29
52	760.81	2.93	7.44	10.37
53	753.37	2.90	7.54	10.44
54	745.83	2.87	7.65	10.52
55	738.18	2.84	7.75	10.59
56	730.43	2.81	7.86	10.67
57	722.57	2.78	7.96	10.74
58	714.61	2.75	8.07	10.82
59	706.54	2.72	8.17	10.89
60	698.37	2.69	8.28	10.97
61	690.09	2.66	8.39	11.05
62	681.70	2.62	8.49	11.11
63	673.21	2.59	8.60	11.19
64	664.61	2.56	8.70	11.26
65	655.91	2.53	8.81	11.34
66	647.10	2.49	8.91	11.40
67	638.19	2.46	9.02	11.48
68	629.17	2.42	9.13	11.55
69	620.04	2.39	9.23	11.62
70	610.81	2.35	9.34	11.69
71	601.47	2.32	9.44	11.76
72	592.03	2.28	9.55	11.83
73	582.48	2.24	9.65	11.89
74	572.83	2.21	9.76	11.97
75	563.07	2.17	9.86	12.03
76	553.21	2.13	9.97	12.10
77	543.24	2.09	10.08	12.17
78	533.16	2.05	10.18	12.23

EXHIBIT D–2

REPAYMENT SCHEDULE III - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
79	522.98	2.01	10.28	12.29
80	512.70	1.97	10.39	12.36
81	502.31	1.93	10.50	12.43
82	491.81	1.89	10.60	12.49
83	481.21	1.85	10.71	12.56
84	470.50	1.81	10.81	12.62
85	459.69	1.77	10.92	12.69
86	448.77	1.73	11.03	12.76
87	437.74	1.69	11.13	12.82
88	426.61	1.64	11.24	12.88
89	415.37	1.60	11.34	12.94
90	404.03	1.56	11.45	13.01
91	392.58	1.51	11.55	13.06
92	381.03	1.47	11.66	13.13
93	369.37	1.42	11.77	13.19
94	357.60	1.38	11.87	13.25
95	345.73	1.33	11.98	13.31
96	333.75	1.28	12.08	13.36
97	321.67	1.24	12.19	13.43
98	309.48	1.19	12.29	13.48
99	297.19	1.14	12.40	13.54
100	284.79	1.10	12.50	13.60
101	272.29	1.05	12.61	13.66
102	259.68	1.00	12.72	13.72
103	246.96	.95	12.82	13.77
104	234.14	.90	12.93	13.83
105	221.21	.85	13.03	13.88
106	208.18	.80	13.14	13.94
107	195.04	.75	13.24	13.99
108	181.80	.70	13.35	14.05
109	168.45	.65	13.45	14.10
110	155.00	.60	13.56	14.16
111	141.44	.54	13.67	14.21
112	127.77	.49	13.77	14.26
113	114.00	.44	13.88	14.32
114	100.12	.39	13.98	14.37
115	86.14	.33	14.09	14.42
116	72.05	.28	14.19	14.47
117	57.86	.22	14.30	14.52
118	43.56	.17	14.41	14.58
119	29.15	.11	14.51	14.62
120	14.64	.06	14.64	14.70
		$291.48	$1,000.00	$1,291.48

EXHIBIT D–2

PLAN IV – GRADUATED PAYMENTS ON PRINCIPAL, PLUS INTEREST

Repayment of $1,000 Over Ten Years

Interest Rate – 4 5/8 Percent

REPAYMENT SCHEDULE IV - A
ANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 46.25	$ 50.00	$ 96.25
2	950.00	43.94	61.11	105.05
3	888.89	41.11	72.22	113.33
4	816.67	37.77	83.33	121.10
5	733.34	33.92	94.44	128.36
6	638.90	29.55	105.55	135.10
7	533.35	24.67	116.67	141.34
8	416.68	19.27	127.78	147.05
9	288.90	13.36	138.89	152.25
10	150.01	6.94	150.01	156.95
		$296.78	$1,000.00	$1,296.78

EXHIBIT D–2

REPAYMENT SCHEDULE IV - B
SEMIANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 23.13	$ 25.00	$ 48.13
2	975.00	22.55	27.63	50.18
3	947.37	21.91	30.26	52.17
4	917.11	21.21	32.89	54.10
5	884.22	20.45	35.53	55.98
6	848.69	19.63	38.16	57.79
7	810.53	18.75	40.79	59.54
8	769.74	17.80	43.42	61.22
9	726.32	16.80	46.05	62.85
10	680.27	15.73	48.68	64.41
11	631.59	14.61	51.32	65.93
12	580.27	13.42	53.95	67.37
13	526.32	12.17	56.58	68.75
14	469.74	10.87	59.21	70.08
15	410.53	9.50	61.84	71.34
16	348.69	8.07	64.47	72.54
17	284.22	6.57	67.10	73.67
18	217.12	5.02	69.74	74.76
19	147.38	3.41	72.37	75.78
20	75.01	1.73	75.01	76.74
		$283.33	$1,000.00	$1,283.33

EXHIBIT D–2

REPAYMENT SCHEDULE IV - C
QUARTERLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 11.56	$ 12.50	$ 24.06
2	987.50	11.42	13.14	24.56
3	974.36	11.26	13.78	25.04
4	960.58	11.10	14.42	25.52
5	946.16	10.94	15.06	26.00
6	931.10	10.76	15.71	26.47
7	915.39	10.58	16.35	26.93
8	899.04	10.39	16.99	27.38
9	882.05	10.20	17.63	27.83
10	864.42	9.99	18.26	28.25
11	846.16	9.78	18.91	28.69
12	827.25	9.56	19.55	29.11
13	807.70	9.34	20.19	29.53
14	787.51	9.10	20.83	29.93
15	766.68	8.86	21.47	30.33
16	745.21	8.61	22.12	30.73
17	723.09	8.36	22.76	31.12
18	700.33	8.10	23.40	31.50
19	676.93	7.83	24.04	31.87
20	652.89	7.55	24.68	32.23
21	628.21	7.26	25.32	32.58
22	602.89	6.97	25.96	32.93
23	576.93	6.67	26.60	33.27
24	550.33	6.36	27.24	33.60
25	523.09	6.05	27.88	33.93
26	495.21	5.72	28.53	34.25
27	466.68	5.39	29.17	34.56
28	437.51	5.06	29.81	34.87
29	407.70	4.71	30.45	35.16
30	377.25	4.36	31.09	35.45
31	346.16	4.00	31.73	35.73
32	314.43	3.63	32.37	36.00
33	282.06	3.26	33.01	36.27
34	249.05	2.88	33.65	36.53
35	215.40	2.49	34.29	36.78
36	181.11	2.09	34.94	37.03
37	146.17	1.69	35.58	37.27
38	110.59	1.28	36.22	37.50
39	74.37	.86	36.86	37.72
40	37.51	.43	37.51	37.94
		$276.45	$1,000.00	$1,276.45

EXHIBIT D–2

REPAYMENT SCHEDULE IV - D
MONTHLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 3.85	$ 4.15	$ 8.00
2	995.85	3.83	4.22	8.05
3	991.63	3.82	4.29	8.11
4	987.34	3.80	4.36	8.16
5	982.98	3.78	4.43	8.21
6	978.55	3.77	4.50	8.27
7	974.05	3.75	4.57	8.32
8	969.48	3.73	4.64	8.37
9	964.84	3.71	4.71	8.42
10	960.13	3.70	4.78	8.48
11	955.35	3.68	4.85	8.53
12	950.50	3.66	4.92	8.58
13	945.58	3.64	4.99	8.63
14	940.59	3.62	5.06	8.68
15	935.53	3.60	5.13	8.73
16	930.40	3.58	5.20	8.78
17	925.20	3.56	5.27	8.83
18	919.93	3.54	5.35	8.89
19	914.58	3.52	5.42	8.94
20	909.16	3.50	5.49	8.99
21	903.67	3.48	5.56	9.04
22	898.11	3.46	5.63	9.09
23	892.48	3.44	5.70	9.14
24	886.78	3.41	5.77	9.18
25	881.01	3.39	5.84	9.23
26	875.17	3.37	5.91	9.28
27	869.26	3.35	5.98	9.33
28	863.28	3.32	6.05	9.37
29	857.23	3.30	6.12	9.42
30	851.11	3.28	6.19	9.47
31	844.92	3.25	6.26	9.51
32	838.66	3.23	6.33	9.56
33	832.33	3.20	6.40	9.60
34	825.93	3.18	6.47	9.65
35	819.46	3.15	6.54	9.69
36	812.92	3.13	6.61	9.74

EXHIBIT D–2

REPAYMENT SCHEDULE IV - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
37	806.31	3.10	6.68	9.78
38	799.63	3.08	6.75	9.83
39	792.88	3.05	6.82	9.87
40	786.06	3.03	6.89	9.92
41	779.17	3.00	6.96	9.96
42	772.21	2.97	7.03	10.00
43	765.18	2.95	7.10	10.05
44	758.08	2.92	7.17	10.09
45	750.91	2.89	7.24	10.13
46	743.67	2.86	7.31	10.17
47	736.36	2.83	7.38	10.21
48	728.98	2.81	7.45	10.26
49	721.53	2.78	7.52	10.30
50	714.01	2.75	7.59	10.34
51	706.42	2.72	7.67	10.39
52	698.75	2.69	7.74	10.43
53	691.01	2.66	7.81	10.47
54	683.20	2.63	7.88	10.51
55	675.32	2.60	7.95	10.55
56	667.37	2.57	8.02	10.59
57	659.35	2.54	8.09	10.63
58	651.26	2.51	8.16	10.67
59	643.10	2.48	8.23	10.71
60	634.87	2.44	8.30	10.74
61	626.57	2.41	8.37	10.78
62	618.20	2.38	8.44	10.82
63	609.76	2.35	8.51	10.86
64	601.25	2.31	8.58	10.89
65	592.67	2.28	8.65	10.93
66	584.02	2.25	8.72	10.97
67	575.30	2.21	8.79	11.00
68	566.51	2.18	8.86	11.04
69	557.65	2.15	8.93	11.08
70	548.72	2.11	9.00	11.11
71	539.72	2.08	9.07	11.15
72	530.65	2.04	9.14	11.18
73	521.51	2.01	9.21	11.22
74	512.30	1.97	9.28	11.25
75	503.02	1.94	9.35	11.29
76	493.67	1.90	9.42	11.32
77	484.25	1.86	9.49	11.35
78	474.76	1.83	9.56	11.39

EXHIBIT D–2

REPAYMENT SCHEDULE IV - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
79	465.20	1.79	9.63	11.42
80	455.57	1.75	9.70	11.45
81	445.87	1.72	9.77	11.49
82	436.10	1.68	9.84	11.52
83	426.26	1.64	9.91	11.55
84	416.35	1.60	9.98	11.58
85	406.37	1.56	10.06	11.62
86	396.31	1.53	10.12	11.65
87	386.19	1.49	10.19	11.68
88	376.00	1.45	10.26	11.71
89	365.74	1.41	10.34	11.75
90	355.40	1.37	10.41	11.78
91	344.99	1.33	10.48	11.81
92	334.51	1.29	10.56	11.85
93	323.95	1.25	10.62	11.87
94	313.33	1.21	10.69	11.90
95	302.64	1.17	10.76	11.93
96	291.88	1.12	10.83	11.95
97	281.05	1.08	10.90	11.98
98	270.15	1.04	10.97	12.01
99	259.18	1.00	11.04	12.04
100	248.14	.96	11.11	12.07
101	237.03	.91	11.18	12.09
102	225.85	.87	11.25	12.12
103	214.60	.83	11.32	12.15
104	203.28	.78	11.39	12.17
105	191.89	.74	11.46	12.20
106	180.43	.69	11.53	12.22
107	168.90	.65	11.60	12.25
108	157.30	.61	11.67	12.28
109	145.63	.56	11.74	12.30
110	133.89	.52	11.81	12.83
111	122.08	.47	11.88	12.35
112	110.20	.42	11.95	12.37
113	98.25	.38	12.02	12.40
114	86.23	.33	12.09	12.42
115	74.14	.29	12.16	12.45
116	61.98	.24	12.23	12.47
117	49.75	.19	12.30	12.49
118	37.45	.14	12.38	12.52
119	25.07	.10	12.45	12.55
120	12.62	.05	12.62	12.67
		$271.91	$1,000.00	$1,271.91

EXHIBIT D–2

PLAN V – GRADUATED PAYMENTS ON PRINCIPAL, PLUS INTEREST

Repayment of $1,000 Over Ten Years

Interest Rate – 4 5/8 Percent

REPAYMENT SCHEDULE V - A
ANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 46.25	$ 75.00	$ 121.25
2	925.00	42.78	80.56	123.34
3	844.44	39.06	86.11	125.17
4	758.33	35.07	91.67	126.74
5	666.66	30.83	97.22	128.05
6	569.44	26.34	102.78	129.12
7	466.66	21.58	108.33	129.91
8	358.33	16.57	113.89	130.46
9	244.44	11.31	119.44	130.75
10	125.00	5.78	125.00	130.78
		$275.57	$1,000.00	$1,275.57

EXHIBIT D–2

REPAYMENT SCHEDULE V - B
SEMIANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 23.13	$ 37.50	$ 60.63
2	962.50	22.26	38.82	61.08
3	923.68	21.36	40.13	61.49
4	883.55	20.44	41.45	61.89
5	842.10	19.48	42.76	62.24
6	799.34	18.49	44.08	62.57
7	755.26	17.47	45.39	62.86
8	709.87	16.42	46.71	63.13
9	663.16	15.34	48.03	63.37
10	615.13	14.23	49.34	63.57
11	565.79	13.09	50.66	63.75
12	515.13	11.91	51.97	63.88
13	463.16	10.71	53.29	64.00
14	409.87	9.48	54.60	64.08
15	355.27	8.22	55.92	64.14
16	299.35	6.92	57.24	64.16
17	242.11	5.60	58.55	64.15
18	183.56	4.25	59.87	64.12
19	123.69	2.86	61.18	64.04
20	62.51	1.45	62.51	63.96
		$263.11	$1,000.00	$1,263.11

EXHIBIT D–2

REPAYMENT SCHEDULE V - C
QUARTERLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 11.56	$ 18.75	$ 30.31
2	981.25	11.34	19.07	30.41
3	962.18	11.12	19.39	30.51
4	942.79	10.90	19.71	30.61
5	923.08	10.67	20.03	30.70
6	903.05	10.44	20.35	30.79
7	882.70	10.20	20.67	30.87
8	862.03	9.97	20.99	30.96
9	841.04	9.72	21.31	31.03
10	819.73	9.48	21.63	31.11
11	798.10	9.23	21.96	31.19
12	776.14	8.97	22.28	31.25
13	753.86	8.71	22.60	31.31
14	731.26	8.45	22.92	31.37
15	708.34	8.19	23.24	31.43
16	685.10	7.92	23.56	31.48
17	661.54	7.65	23.88	31.53
18	637.66	7.37	24.20	31.57
19	613.46	7.09	24.52	31.61
20	588.94	6.81	24.84	31.65
21	564.10	6.52	25.16	31.68
22	538.94	6.23	25.48	31.71
23	513.46	5.94	25.80	31.74
24	487.66	5.64	26.12	31.76
25	461.54	5.34	26.44	31.78
26	435.10	5.03	26.76	31.79
27	408.34	4.72	27.08	31.80
28	381.26	4.41	27.40	31.81
29	353.86	4.09	27.72	31.81
30	326.14	3.77	28.04	31.81
31	298.10	3.45	28.37	31.82
32	269.73	3.12	28.69	31.81
33	241.04	2.79	29.01	31.80
34	212.03	2.45	29.33	31.78
35	182.70	2.11	29.65	31.76
36	153.05	1.77	29.97	31.74
37	123.08	1.42	30.29	31.71
38	92.79	1.07	30.61	31.68
39	62.18	.72	30.93	31.65
40	31.25	.36	31.25	31.61
		$256.74	$1,000.00	$1,256.74

EXHIBIT D–2

REPAYMENT SCHEDULE V - D
MONTHLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 3.85	$ 6.25	$ 10.10
2	993.75	3.83	6.29	10.12
3	987.46	3.80	6.32	10.12
4	981.14	3.78	6.35	10.13
5	974.79	3.75	6.39	10.14
6	968.40	3.73	6.43	10.16
7	961.97	3.70	6.46	10.16
8	955.51	3.68	6.49	10.17
9	949.02	3.65	6.53	10.18
10	942.49	3.63	6.57	10.20
11	935.92	3.60	6.60	10.20
12	929.32	3.58	6.63	10.21
13	922.69	3.55	6.67	10.22
14	916.02	3.53	6.71	10.24
15	909.31	3.50	6.74	10.24
16	902.57	3.47	6.77	10.24
17	895.80	3.45	6.81	10.26
18	888.99	3.42	6.85	10.27
19	882.14	3.40	6.88	10.28
20	875.26	3.37	6.91	10.28
21	868.35	3.34	6.95	10.29
22	861.40	3.32	6.99	10.31
23	854.41	3.29	7.02	10.31
24	847.39	3.26	7.05	10.31
25	840.34	3.24	7.09	10.33
26	833.25	3.21	7.13	10.34
27	826.12	3.18	7.16	10.34
28	818.96	3.15	7.19	10.34
29	811.77	3.13	7.23	10.36
30	804.54	3.10	7.27	10.37
31	797.27	3.07	7.30	10.37
32	789.97	3.04	7.33	10.37
33	782.64	3.01	7.37	10.38
34	775.27	2.98	7.41	10.39
35	767.86	2.96	7.44	10.40
36	760.42	2.93	7.47	10.40

EXHIBIT D–2

REPAYMENT SCHEDULE V - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
37	752.95	2.90	7.51	10.41
38	745.44	2.87	7.55	10.42
39	737.89	2.84	7.58	10.42
40	730.31	2.81	7.61	10.42
41	722.70	2.78	7.65	10.43
42	715.05	2.75	7.69	10.44
43	707.36	2.72	7.72	10.44
44	699.64	2.69	7.75	10.44
45	691.89	2.66	7.79	10.45
46	684.10	2.63	7.83	10.46
47	676.27	2.60	7.86	10.46
48	668.41	2.57	7.89	10.46
49	660.52	2.54	7.93	10.47
50	652.59	2.51	7.97	10.48
51	644.62	2.48	8.00	10.48
52	636.62	2.45	8.03	10.48
53	628.59	2.42	8.07	10.49
54	620.52	2.39	8.11	10.50
55	612.41	2.36	8.14	10.50
56	604.27	2.33	8.17	10.50
57	596.10	2.29	8.21	10.50
58	587.89	2.26	8.25	10.51
59	579.64	2.23	8.28	10.51
60	571.36	2.20	8.31	10.51
61	563.05	2.17	8.35	10.52
62	554.70	2.14	8.39	10.53
63	546.31	2.10	8.42	10.52
64	537.89	2.07	8.45	10.52
65	529.44	2.04	8.49	10.53
66	520.95	2.01	8.53	10.54
67	512.42	1.97	8.56	10.53
68	503.86	1.94	8.59	10.53
69	495.27	1.91	8.63	10.54
70	486.64	1.87	8.67	10.54
71	477.97	1.84	8.70	10.54
72	469.27	1.81	8.73	10.54
73	460.54	1.77	8.77	10.54
74	451.77	1.74	8.81	10.55
75	442.96	1.71	8.84	10.55
76	434.12	1.67	8.87	10.54
77	425.25	1.64	8.91	10.55
78	416.34	1.60	8.95	10.55
79	407.39	1.57	8.98	10.55
80	398.41	1.53	9.01	10.54
81	389.40	1.50	9.05	10.55
82	380.35	1.46	9.09	10.55
83	371.26	1.43	9.12	10.55
84	362.14	1.39	9.15	10.54

EXHIBIT D–2

REPAYMENT SCHEDULE V - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
85	352.99	1.36	9.19	10.55
86	343.80	1.32	9.23	10.55
87	334.57	1.29	9.26	10.55
88	325.31	1.25	9.29	10.54
89	316.02	1.22	9.33	10.55
90	306.69	1.18	9.37	10.55
91	297.32	1.14	9.40	10.54
92	287.92	1.11	9.43	10.54
93	278.49	1.07	9.47	10.54
94	269.02	1.04	9.51	10.55
95	259.51	1.00	9.54	10.54
96	249.97	.96	9.57	10.53
97	240.40	.93	9.61	10.54
98	230.79	.89	9.65	10.54
99	221.14	.85	9.68	10.53
100	211.46	.81	9.71	10.52
101	201.75	.78	9.75	10.53
102	192.00	.74	9.79	10.53
103	182.21	.70	9.82	10.52
104	172.39	.66	9.85	10.51
105	162.54	.63	9.89	10.52
106	152.65	.59	9.93	10.52
107	142.72	.55	9.96	10.51
108	132.76	.51	9.99	10.50
109	122.77	.47	10.03	10.50
110	112.74	.43	10.07	10.50
111	102.67	.40	10.10	10.50
112	92.57	.36	10.13	10.49
113	82.44	.32	10.17	10.49
114	72.27	.28	10.21	10.49
115	62.06	.24	10.24	10.48
116	51.82	.20	10.27	10.47
117	41.55	.16	10.31	10.47
118	31.24	.12	10.35	10.47
119	20.89	.08	10.38	10.46
120	10.51	.04	10.51	10.55
		$252.32	$1,000.00	$1,252.32

EXHIBIT D–3

PLAN I – EQUAL TOTAL PAYMENTS OF PRINCIPAL AND INTEREST

Repayment of $1,000 Over Ten Years

Interest Rate – 4¾ Percent

REPAYMENT SCHEDULE 1–A
ANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 47.50	$ 80.44	$ 127.94
2	919.56	43.68	84.26	127.94
3	835.30	39.68	88.26	127.94
4	747.04	35.48	92.46	127.94
5	654.58	31.09	96.85	127.94
6	557.73	26.49	101.45	127.94
7	456.28	21.67	106.27	127.94
8	350.01	16.63	111.31	127.94
9	238.70	11.34	116.60	127.94
10	122.10	5.80	122.10	127.90
		$279.36	$1,000.00	$1,279.36

EXHIBIT D–3

REPAYMENT SCHEDULE I–B
SEMIANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 23.75	$ 39.65	$ 63.40
2	960.35	22.81	40.59	63.40
3	919.76	21.84	41.56	63.40
4	878.20	20.86	42.54	63.40
5	835.66	19.85	43.55	63.40
6	792.11	18.81	44.59	63.40
7	747.52	17.75	45.65	63.40
8	701.87	16.67	46.73	63.40
9	655.14	15.56	47.84	63.40
10	607.30	14.42	48.98	63.40
11	558.32	13.26	50.14	63.40
12	508.18	12.07	51.33	63.40
13	456.85	10.85	52.55	63.40
14	404.30	9.60	53.80	63.40
15	350.50	8.32	55.08	63.40
16	295.42	7.02	56.38	63.40
17	239.04	5.68	57.72	63.40
18	181.32	4.31	59.09	63.40
19	122.23	2.90	60.50	63.40
20	61.73	1.47	61.73	63.20
		$267.80	$1,000.00	$1,267.80

EXHIBIT D–3

REPAYMENT SCHEDULE I – C
QUARTERLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 11.88	$ 19.67	$ 31.55
2	980.33	11.65	19.90	31.55
3	960.43	11.41	20.14	31.55
4	940.29	11.17	20.38	31.55
5	919.91	10.93	20.62	31.55
6	899.29	10.68	20.87	31.55
7	878.42	10.44	21.11	31.55
8	857.31	10.18	21.37	31.55
9	835.94	9.93	21.62	31.55
10	814.32	9.67	21.88	31.55
11	792.44	9.41	22.14	31.55
12	770.30	9.15	22.40	31.55
13	747.90	8.88	22.67	31.55
14	725.23	8.62	22.93	31.55
15	702.30	8.34	23.21	31.55
16	679.09	8.07	23.48	31.55
17	655.61	7.79	23.76	31.55
18	631.85	7.51	24.04	31.55
19	607.81	7.22	24.33	31.55
20	583.48	6.93	24.62	31.55
21	558.86	6.64	24.91	31.55
22	533.95	6.34	25.21	31.55
23	508.74	6.04	25.51	31.55
24	483.23	5.74	25.81	31.55
25	457.42	5.43	26.12	31.55
26	431.30	5.12	26.43	31.55
27	404.87	4.81	26.74	31.55
28	378.13	4.49	27.06	31.55
29	351.07	4.17	27.38	31.55
30	323.69	3.85	27.70	31.55
31	295.99	3.52	28.03	31.55
32	267.96	3.18	28.37	31.55
33	239.59	2.85	28.70	31.55
34	210.89	2.51	29.04	31.55
35	181.85	2.16	29.39	31.55
36	152.46	1.81	29.74	31.55
37	122.72	1.46	30.09	31.55
38	92.63	1.10	30.45	31.55
39	62.18	.74	30.81	31.55
40	31.37	.37	31.37	31.74
		$262.19	$1,000.00	$1,262.19

EXHIBIT D–3

REPAYMENT SCHEDULE I – D
MONTHLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 3.96	$ 6.53	$ 10.49
2	993.47	3.93	6.56	10.49
3	986.91	3.91	6.58	10.49
4	980.33	3.88	6.61	10.49
5	973.72	3.86	6.63	10.49
6	967.09	3.83	6.66	10.49
7	960.43	3.80	6.69	10.49
8	953.74	3.78	6.71	10.49
9	947.03	3.75	6.74	10.49
10	940.29	3.72	6.77	10.49
11	933.52	3.70	6.79	10.49
12	926.73	3.67	6.82	10.49
13	919.91	3.64	6.85	10.49
14	913.06	3.62	6.87	10.49
15	906.19	3.59	6.90	10.49
16	899.29	3.56	6.93	10.49
17	892.36	3.53	6.96	10.49
18	885.40	3.51	6.98	10.49
19	878.42	3.48	7.01	10.49
20	871.41	3.45	7.04	10.49
21	864.37	3.42	7.07	10.49
22	857.30	3.39	7.10	10.49
23	850.20	3.37	7.12	10.49
24	843.08	3.34	7.15	10.49
25	835.93	3.31	7.18	10.49
26	828.75	3.28	7.21	10.49
27	821.54	3.25	7.24	10.49
28	814.30	3.22	7.27	10.49
29	807.03	3.20	7.29	10.49
30	799.74	3.17	7.32	10.49
31	792.42	3.14	7.35	10.49
32	785.07	3.11	7.38	10.49
33	777.69	3.08	7.41	10.49
34	770.28	3.05	7.44	10.49
35	762.84	3.02	7.47	10.49
36	755.37	2.99	7.50	10.49

EXHIBIT D–3

REPAYMENT SCHEDULE I - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
37	747.87	2.96	7.53	10.49
38	740.34	2.93	7.56	10.49
39	732.78	2.90	7.59	10.49
40	725.19	2.87	7.62	10.49
41	717.57	2.84	7.65	10.49
42	709.92	2.81	7.68	10.49
43	702.24	2.78	7.71	10.49
44	694.53	2.75	7.74	10.49
45	686.79	2.72	7.77	10.49
46	679.02	2.69	7.80	10.49
47	671.22	2.66	7.83	10.49
48	663.39	2.63	7.86	10.49
49	655.53	2.60	7.89	10.49
50	647.64	2.56	7.93	10.49
51	639.71	2.53	7.96	10.49
52	631.75	2.50	7.99	10.49
53	623.76	2.47	8.02	10.49
54	615.74	2.44	8.05	10.49
55	607.69	2.41	8.08	10.49
56	599.61	2.37	8.12	10.49
57	591.49	2.34	8.15	10.49
58	583.34	2.31	8.18	10.49
59	575.16	2.28	8.21	10.49
60	566.95	2.25	8.24	10.49
61	558.71	2.21	8.28	10.49
62	550.43	2.18	8.31	10.49
63	542.12	2.15	8.34	10.49
64	533.78	2.11	8.38	10.49
65	525.40	2.08	8.41	10.49
66	516.99	2.05	8.44	10.49
67	508.55	2.01	8.48	10.49
68	500.07	1.98	8.51	10.49
69	491.56	1.95	8.54	10.49
70	483.02	1.91	8.58	10.49
71	474.44	1.88	8.61	10.49
72	465.83	1.84	8.65	10.49
73	457.18	1.81	8.68	10.49
74	448.50	1.78	8.71	10.49
75	439.79	1.74	8.75	10.49
76	431.04	1.71	8.78	10.49
77	422.26	1.67	8.82	10.49
78	413.44	1.64	8.85	10.49
79	404.59	1.60	8.89	10.49
80	395.70	1.57	8.92	10.49
81	386.78	1.53	8.96	10.49
82	377.82	1.50	8.99	10.49
83	368.83	1.46	9.03	10.49
84	359.80	1.42	9.07	10.49

EXHIBIT D–3

REPAYMENT SCHEDULE I - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
85	350.73	1.39	9.10	10.49
86	341.63	1.35	9.14	10.49
87	332.49	1.32	9.17	10.49
88	323.32	1.28	9.21	10.49
89	314.11	1.24	9.25	10.49
90	304.86	1.21	9.28	10.49
91	295.58	1.17	9.32	10.49
92	286.26	1.13	9.36	10.49
93	276.90	1.10	9.39	10.49
94	267.51	1.06	9.43	10.49
95	258.08	1.02	9.47	10.49
96	248.61	.98	9.51	10.49
97	239.10	.95	9.54	10.49
98	229.56	.91	9.58	10.49
99	219.98	.87	9.62	10.49
100	210.36	.83	9.66	10.49
101	200.70	.79	9.70	10.49
102	191.00	.76	9.73	10.49
103	181.27	.72	9.77	10.49
104	171.50	.68	9.81	10.49
105	161.69	.64	9.85	10.49
106	151.84	.60	9.89	10.49
107	141.95	.56	9.93	10.49
108	132.02	.52	9.97	10.49
109	122.05	.48	10.01	10.49
110	112.04	.44	10.05	10.49
111	101.99	.40	10.09	10.49
112	91.90	.36	10.13	10.49
113	81.77	.32	10.17	10.49
114	71.60	.28	10.21	10.49
115	61.39	.24	10.25	10.49
116	51.14	.20	10.29	10.49
117	40.85	.16	10.33	10.49
118	30.52	.12	10.37	10.49
119	20.15	.08	10.41	10.49
120	9.74	.04	9.74	9.78
		$258.09	$1,000.00	$1,258.09

EXHIBIT D–3

PLAN II – EQUAL PAYMENTS ON PRINCIPAL, PLUS INTEREST

Repayment of $1,000.00 Over Ten Years

Interest Rate – 4¾ Percent

REPAYMENT SCHEDULE II-A
ANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 47.50	$ 100.00	$ 147.50
2	900.00	42.75	100.00	142.75
3	800.00	38.00	100.00	138.00
4	700.00	33.25	100.00	133.25
5	600.00	28.50	100.00	128.50
6	500.00	23.75	100.00	123.75
7	400.00	19.00	100.00	119.00
8	300.00	14.25	100.00	114.25
9	200.00	9.50	100.00	109.50
10	100.00	4.75	100.00	104.75
		$261.25	$1,000.00	$1,261.25

EXHIBIT D–3

REPAYMENT SCHEDULE II - B
SEMIANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 23.75	$ 50.00	$ 73.75
2	950.00	22.56	50.00	72.56
3	900.00	21.38	50.00	71.38
4	850.00	20.19	50.00	70.19
5	800.00	19.00	50.00	69.00
6	750.00	17.81	50.00	67.81
7	700.00	16.63	50.00	66.63
8	650.00	15.44	50.00	65.44
9	600.00	14.25	50.00	64.25
10	550.00	13.06	50.00	63.06
11	500.00	11.88	50.00	61.88
12	450.00	10.69	50.00	60.69
13	400.00	9.50	50.00	59.50
14	350.00	8.31	50.00	58.31
15	300.00	7.13	50.00	57.13
16	250.00	5.94	50.00	55.94
17	200.00	4.75	50.00	54.75
18	150.00	3.56	50.00	53.56
19	100.00	2.38	50.00	52.38
20	50.00	1.19	50.00	51.19
		$249.40	$1,000.00	$1,249.40

EXHIBIT D–3

REPAYMENT SCHEDULE II - C
QUARTERLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 11.88	$ 25.00	$ 36.88
2	975.00	11.58	25.00	36.58
3	950.00	11.29	25.00	36.29
4	925.00	10.99	25.00	35.99
5	900.00	10.69	25.00	35.69
6	875.00	10.40	25.00	35.40
7	850.00	10.10	25.00	35.10
8	825.00	9.80	25.00	34.80
9	800.00	9.50	25.00	34.50
10	775.00	9.21	25.00	34.21
11	750.00	8.91	25.00	33.91
12	725.00	8.61	25.00	33.61
13	700.00	8.32	25.00	33.32
14	675.00	8.02	25.00	33.02
15	650.00	7.72	25.00	32.72
16	625.00	7.43	25.00	32.43
17	600.00	7.13	25.00	32.13
18	575.00	6.83	25.00	31.83
19	550.00	6.53	25.00	31.53
20	525.00	6.24	25.00	31.24
21	500.00	5.94	25.00	30.94
22	475.00	5.64	25.00	30.64
23	450.00	5.35	25.00	30.35
24	425.00	5.05	25.00	30.05
25	400.00	4.75	25.00	29.75
26	375.00	4.46	25.00	29.46
27	350.00	4.16	25.00	29.16
28	325.00	3.86	25.00	28.86
29	300.00	3.56	25.00	28.56
30	275.00	3.27	25.00	28.27
31	250.00	2.97	25.00	27.97
32	225.00	2.67	25.00	27.67
33	200.00	2.38	25.00	27.38
34	175.00	2.08	25.00	27.08
35	150.00	1.78	25.00	26.78
36	125.00	1.50	25.00	26.50
37	100.00	1.19	25.00	26.19
38	75.00	.89	25.00	25.89
39	50.00	.59	25.00	25.59
40	25.00	.30	25.00	25.30
		$243.57	$1,000.00	$1,243.57

EXHIBIT D–3

REPAYMENT SCHEDULE II - D
MONTHLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 3.96	$ 8.33	$ 12.29
2	991.67	3.93	8.33	12.26
3	983.34	3.89	8.34	12.23
4	975.00	3.86	8.33	12.19
5	966.67	3.83	8.33	12.16
6	958.34	3.80	8.34	12.14
7	950.00	3.76	8.33	12.09
8	941.67	3.73	8.33	12.06
9	933.34	3.70	8.34	12.04
10	925.00	3.66	8.33	11.99
11	916.67	3.63	8.33	11.96
12	908.34	3.60	8.34	11.94
13	900.00	3.56	8.33	11.89
14	891.67	3.53	8.33	11.86
15	883.34	3.50	8.34	11.84
16	875.00	3.47	8.33	11.80
17	866.67	3.43	8.33	11.76
18	858.34	3.40	8.34	11.74
19	850.00	3.37	8.33	11.70
20	841.67	3.33	8.33	11.66
21	833.34	3.30	8.34	11.64
22	825.00	3.27	8.33	11.60
23	816.67	3.23	8.33	11.56
24	808.34	3.20	8.34	11.54
25	800.00	3.17	8.33	11.50
26	791.67	3.14	8.33	11.47
27	783.34	3.10	8.34	11.44
28	775.00	3.07	8.33	11.40
29	766.67	3.04	8.33	11.37
30	758.34	3.00	8.34	11.34
31	750.00	2.97	8.33	11.30
32	741.67	2.94	8.33	11.27
33	733.34	2.90	8.34	11.24
34	725.00	2.87	8.33	11.20
35	716.67	2.84	8.33	11.17
36	708.34	2.81	8.34	11.15
37	700.00	2.77	8.33	11.10
38	691.67	2.74	8.33	11.07
39	683.34	2.71	8.34	11.05
40	675.00	2.67	8.33	11.00
41	666.67	2.64	8.33	10.97
42	658.34	2.61	8.34	10.95
43	650.00	2.57	8.33	10.90

EXHIBIT D–3

REPAYMENT SCHEDULE II - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
44	641.67	2.54	8.33	10.87
45	633.34	2.51	8.34	10.85
46	625.00	2.48	8.33	10.81
47	616.67	2.44	8.33	10.77
48	608.34	2.41	8.34	10.75
49	600.00	2.38	8.33	10.71
50	591.67	2.34	8.33	10.67
51	583.34	2.31	8.34	10.65
52	575.00	2.28	8.33	10.61
53	566.67	2.24	8.33	10.57
54	558.34	2.21	8.34	10.55
55	550.00	2.18	8.33	10.51
56	541.67	2.15	8.33	10.48
57	533.34	2.11	8.34	10.45
58	525.00	2.08	8.33	10.41
59	516.67	2.05	8.33	10.38
60	508.34	2.01	8.34	10.35
61	500.00	1.98	8.33	10.31
62	491.67	1.95	8.33	10.28
63	483.34	1.91	8.34	10.25
64	475.00	1.88	8.33	10.21
65	466.67	1.85	8.33	10.18
66	458.34	1.82	8.34	10.16
67	450.00	1.78	8.33	10.11
68	441.67	1.75	8.33	10.08
69	433.34	1.72	8.34	10.06
70	425.00	1.68	8.33	10.01
71	416.67	1.65	8.33	9.98
72	408.34	1.62	8.34	9.96
73	400.00	1.58	8.33	9.91
74	391.67	1.55	8.33	9.88
75	383.34	1.52	8.34	9.86
76	375.00	1.49	8.33	9.82
77	366.67	1.45	8.33	9.78
78	358.34	1.42	8.34	9.76
79	350.00	1.39	8.33	9.72
80	341.67	1.35	8.33	9.68
81	333.34	1.32	8.34	9.66
82	325.00	1.29	8.33	9.62
83	316.67	1.25	8.33	9.58
84	308.34	1.22	8.34	9.56

EXHIBIT D–3

REPAYMENT SCHEDULE II - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
85	300.00	1.19	8.33	9.52
86	291.67	1.16	8.33	9.49
87	283.34	1.12	8.34	9.46
88	275.00	1.09	8.33	9.42
89	266.67	1.06	8.33	9.39
90	258.34	1.02	8.34	9.36
91	250.00	.99	8.33	9.32
92	241.67	.96	8.33	9.29
93	233.34	.92	8.34	9.26
94	225.00	.89	8.33	9.22
95	216.67	.86	8.33	9.19
96	208.34	.83	8.34	9.17
97	200.00	.79	8.33	9.12
98	191.67	.76	8.33	9.09
99	183.34	.73	8.34	9.07
100	175.00	.69	8.33	9.02
101	166.67	.66	8.33	8.99
102	158.34	.63	8.34	8.97
103	150.00	.59	8.33	8.92
104	141.67	.56	8.33	8.89
105	133.34	.53	8.34	8.87
106	125.00	.50	8.33	8.83
107	116.67	.46	8.33	8.79
108	108.34	.43	8.34	8.77
109	100.00	.40	8.33	8.73
110	91.67	.36	8.33	8.69
111	83.34	.33	8.34	8.67
112	75.00	.30	8.33	8.63
113	66.67	.26	8.33	8.59
114	58.34	.23	8.34	8.57
115	50.00	.20	8.33	8.53
116	41.67	.17	8.33	8.50
117	33.34	.13	8.34	8.47
118	25.00	.10	8.33	8.43
119	16.67	.07	8.33	8.40
120	8.34	.03	8.34	8.37
		$239.64	$1,000.00	$1,239.64

EXHIBIT D–3

PLAN III – GRADUATED PAYMENTS ON PRINCIPAL, PLUS INTEREST

Repayment of $1,000.00 Over Ten Years

Interest Rate – 4¾ Percent

REPAYMENT SCHEDULE III - A
ANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 47.50	$ 25.00	$ 72.50
2	975.00	46.31	41.67	87.98
3	933.33	44.33	58.33	102.66
4	875.00	41.56	75.00	116.56
5	800.00	38.00	91.66	129.66
6	708.34	33.65	108.33	141.98
7	600.01	28.50	125.00	153.50
8	475.01	22.56	141.66	164.22
9	333.35	15.83	158.33	174.16
10	175.02	8.31	175.02	183.33
		$326.55	$1,000.00	$1,326.55

EXHIBIT D–3

REPAYMENT SCHEDULE III - B
SEMIANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 23.75	$ 12.50	$ 36.25
2	987.50	23.45	16.45	39.90
3	971.05	23.06	20.39	43.45
4	950.66	22.58	24.34	46.92
5	926.32	22.00	28.29	50.29
6	898.03	21.33	32.24	53.57
7	865.79	20.56	36.18	56.74
8	829.61	19.70	40.13	56.83
9	789.48	18.75	44.08	62.83
10	745.40	17.70	48.03	65.73
11	697.37	16.56	51.97	68.53
12	645.40	15.33	55.92	71.25
13	589.48	14.00	59.88	73.88
14	529.60	12.58	63.81	76.39
15	465.79	11.06	67.76	78.82
16	398.03	9.45	71.71	81.16
17	326.32	7.75	75.66	83.41
18	250.66	5.95	79.60	85.55
19	171.06	4.06	83.55	87.61
20	87.51	2.08	87.51	89.59
		$308.70	$1,000.00	$1,308.70

EXHIBIT D–3

REPAYMENT SCHEDULE III - C
QUARTERLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 11.88	$ 6.25	$ 18.13
2	993.75	11.81	7.21	19.02
3	986.54	11.72	8.17	19.89
4	978.37	11.62	9.13	20.75
5	969.24	11.51	10.10	21.61
6	959.14	11.39	11.06	22.45
7	948.08	11.26	12.02	23.28
8	936.06	11.12	12.98	24.10
9	923.08	10.97	13.94	24.91
10	909.14	10.80	14.90	25.70
11	894.24	10.62	15.87	26.49
12	878.37	10.44	16.83	27.27
13	861.54	10.24	17.79	28.03
14	843.75	10.02	18.75	28.77
15	825.00	9.80	19.71	29.51
16	805.29	9.57	20.67	30.24
17	784.62	9.32	21.63	30.95
18	762.99	9.06	22.60	31.66
19	740.39	8.80	23.56	32.36
20	716.83	8.52	24.52	33.04
21	692.31	8.22	25.48	33.70
22	666.83	7.92	26.44	34.36
23	640.39	7.61	27.40	35.01
24	612.99	7.28	28.36	35.64
25	584.63	6.95	29.33	36.28
26	555.30	6.60	30.29	36.89
27	525.01	6.24	31.25	37.49
28	493.76	5.87	32.21	38.08
29	461.55	5.48	33.17	38.65
30	428.38	5.09	34.13	39.22
31	394.25	4.68	35.10	39.78
32	359.15	4.27	36.06	40.33
33	323.09	3.84	37.02	40.86
34	286.07	3.40	37.98	41.38
35	248.09	2.95	38.94	41.89
36	209.15	2.48	39.90	42.38
37	169.25	2.01	40.86	42.87
38	128.39	1.53	41.83	43.36
39	86.56	1.03	42.79	43.82
40	43.77	.52	43.77	44.29
		$304.44	$1,000.00	$1,304.44

EXHIBIT D–3

REPAYMENT SCHEDULE III - D
MONTHLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 3.96	$ 2.05	$ 6.01
2	997.95	3.95	2.16	6.11
3	995.79	3.94	2.26	6.20
4	993.53	3.93	2.37	6.30
5	991.16	3.92	2.47	6.39
6	988.69	3.92	2.58	6.50
7	986.11	3.90	2.68	6.58
8	983.43	3.89	2.79	6.68
9	980.64	3.88	2.89	6.77
10	977.75	3.87	3.00	6.87
11	974.75	3.86	3.11	6.97
12	971.64	3.85	3.21	7.06
13	968.43	3.83	3.32	7.15
14	965.11	3.82	3.42	7.24
15	961.69	3.81	3.53	7.34
16	958.16	3.79	3.63	7.42
17	954.53	3.78	3.74	7.52
18	950.79	3.77	3.85	7.62
19	946.94	3.75	3.95	7.70
20	942.99	3.73	4.06	7.79
21	938.93	3.72	4.16	7.88
22	934.77	3.70	4.27	7.97
23	930.50	3.68	4.37	8.05
24	926.13	3.67	4.48	8.15
25	921.65	3.65	4.58	8.23
26	917.07	3.63	4.69	8.32
27	912.38	3.61	4.80	8.41
28	907.58	3.59	4.90	8.49
29	902.68	3.57	5.01	8.58
30	897.67	3.55	5.11	8.66
31	892.56	3.53	5.22	8.75
32	887.34	3.51	5.32	8.83
33	882.02	3.49	5.43	8.92
34	876.59	3.47	5.53	9.00
35	871.06	3.45	5.64	9.09
36	865.42	3.43	5.75	9.18

EXHIBIT D–3

REPAYMENT SCHEDULE III - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
37	859.67	3.40	5.85	9.25
38	853.82	3.38	5.96	9.34
39	847.86	3.36	6.06	9.42
40	841.80	3.33	6.17	9.50
41	835.63	3.31	6.27	9.58
42	829.36	3.28	6.38	9.66
43	822.98	3.26	6.49	9.75
44	816.49	3.23	6.59	9.82
45	809.90	3.21	6.70	9.91
46	803.20	3.18	6.80	9.98
47	796.40	3.15	6.91	10.06
48	789.49	3.13	7.01	10.14
49	782.48	3.10	7.12	10.22
50	775.36	3.07	7.22	10.29
51	768.14	3.04	7.33	10.37
52	760.81	3.01	7.44	10.45
53	753.37	2.98	7.54	10.52
54	745.83	2.95	7.65	10.60
55	738.18	2.92	7.75	10.67
56	730.43	2.89	7.86	10.75
57	722.57	2.86	7.96	10.82
58	714.61	2.83	8.07	10.90
59	706.54	2.80	8.17	10.97
60	698.37	2.77	8.28	11.05
61	690.09	2.73	8.39	11.12
62	681.70	2.70	8.49	11.19
63	673.21	2.67	8.60	11.27
64	664.61	2.63	8.70	11.33
65	655.91	2.60	8.81	11.41
66	647.10	2.56	8.91	11.47
67	638.19	2.53	9.02	11.55
68	629.17	2.49	9.13	11.62
69	620.04	2.46	9.23	11.69
70	610.81	2.42	9.34	11.76
71	601.47	2.38	9.44	11.82
72	592.03	2.34	9.55	11.89
73	582.48	2.31	9.65	11.96
74	572.83	2.27	9.76	12.03
75	563.07	2.23	9.86	12.09
76	553.21	2.19	9.97	12.16
77	543.24	2.15	10.08	12.23
78	533.16	2.11	10.18	12.29

EXHIBIT D–3

REPAYMENT SCHEDULE III - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
79	522.98	2.07	10.28	12.35
80	512.70	2.03	10.39	12.42
81	502.31	1.99	10.50	12.49
82	491.81	1.95	10.60	12.55
83	481.21	1.91	10.71	12.62
84	470.50	1.86	10.81	12.67
85	459.69	1.82	10.92	12.74
86	448.77	1.78	11.03	12.81
87	437.74	1.73	11.13	12.86
88	426.61	1.69	11.24	12.93
89	415.37	1.64	11.34	12.98
90	404.03	1.60	11.45	13.05
91	392.58	1.55	11.55	13.10
92	381.03	1.51	11.66	13.17
93	369.37	1.46	11.77	13.23
94	357.60	1.42	11.87	13.29
95	345.73	1.37	11.98	13.35
96	333.75	1.32	12.08	13.40
97	321.67	1.27	12.19	13.46
98	309.48	1.23	12.29	13.52
99	297.19	1.18	12.40	13.58
100	284.79	1.13	12.50	13.63
101	272.29	1.08	12.61	13.69
102	259.68	1.03	12.72	13.75
103	246.96	.98	12.82	13.80
104	234.14	.93	12.93	13.86
105	221.21	.88	13.03	13.91
106	208.18	.82	13.14	13.96
107	195.04	.77	13.24	14.01
108	181.80	.72	13.35	14.07
109	168.45	.67	13.45	14.12
110	155.00	.61	13.56	14.17
111	141.44	.56	13.67	14.23
112	127.77	.51	13.77	14.28
113	114.00	.45	13.88	14.33
114	100.12	.40	13.98	14.38
115	86.14	.34	14.09	14.43
116	72.05	.29	14.19	14.48
117	57.86	.23	14.30	14.53
118	43.56	.17	14.41	14.58
119	29.15	.12	14.51	14.63
120	14.64	.06	14.64	14.70
		$299.74	$1,000.00	$1,299.74

PLAN IV – GRADUATED PAYMENTS ON PRINCIPAL, PLUS INTEREST

Repayment of $1,000 Over Ten Years

Interest Rate – 4¾ Percent

REPAYMENT SCHEDULE IV - A
ANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 47.50	$ 50.00	$ 97.50
2	950.00	45.13	61.11	106.24
3	888.89	42.22	72.22	114.44
4	816.67	38.79	83.33	122.12
5	733.34	34.83	94.44	129.27
6	638.90	30.35	105.55	135.90
7	533.35	25.33	116.67	142.00
8	416.68	19.79	127.78	147.57
9	288.90	13.72	138.89	152.61
10	150.01	7.13	150.01	157.14
		$304.79	$1,000.00	$1,304.79

EXHIBIT D–3

REPAYMENT SCHEDULE IV - B
SEMIANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 23.75	$ 25.00	$ 48.75
2	975.00	23.16	27.63	50.79
3	947.37	22.50	30.26	52.76
4	917.11	21.78	32.89	54.67
5	884.22	21.00	35.53	56.53
6	848.69	20.16	38.16	58.32
7	810.53	19.25	40.79	60.04
8	769.74	18.28	43.42	61.70
9	726.32	17.25	46.05	63.30
10	680.27	16.16	46.68	64.84
11	631.59	15.00	51.32	66.32
12	580.27	13.78	53.95	67.73
13	526.32	12.50	56.58	69.08
14	469.74	11.16	59.21	70.37
15	410.53	9.75	61.84	71.59
16	348.69	8.28	64.47	72.75
17	284.22	6.75	67.10	73.85
18	217.12	5.16	69.74	74.90
19	147.38	3.50	72.37	75.87
20	75.01	1.78	75.01	76.79
		$290.95	$1,000.00	$1,290.95

EXHIBIT D–3

REPAYMENT SCHEDULE IV - C
QUARTERLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 11.88	$ 12.50	$ 24.38
2	987.50	11.73	13.14	24.87
3	974.36	11.58	13.78	25.36
4	960.58	11.41	14.42	25.83
5	946.16	11.24	15.06	26.30
6	931.10	11.06	15.71	26.77
7	915.39	10.87	16.35	27.22
8	899.04	10.68	16.99	27.67
9	882.05	10.48	17.63	28.11
10	864.42	10.27	18.26	28.53
11	846.16	10.05	18.91	28.96
12	827.25	9.83	19.55	29.38
13	807.70	9.60	20.19	29.79
14	787.51	9.36	20.83	30.19
15	766.68	9.11	21.47	30.58
16	745.21	8.85	22.12	30.97
17	723.09	8.59	22.76	31.35
18	700.33	8.32	23.40	31.72
19	676.93	8.04	24.04	32.08
20	652.89	7.76	24.68	32.44
21	628.21	7.46	25.32	32.78
22	602.89	7.16	25.96	33.12
23	576.93	6.85	26.60	33.45
24	550.33	6.54	27.24	33.78
25	523.09	6.21	27.88	34.09
26	495.21	5.88	28.53	34.41
27	466.68	5.54	29.17	34.71
28	437.51	5.20	29.81	35.01
29	407.70	4.84	30.45	35.29
30	377.25	4.48	31.09	35.57
31	346.16	4.11	31.73	35.84
32	314.43	3.74	32.37	36.11
33	282.06	3.35	33.01	36.36
34	249.05	2.96	33.65	36.61
35	215.40	2.56	34.29	36.85
36	181.11	2.15	34.94	37.09
37	146.17	1.74	35.58	37.32
38	110.59	1.31	36.22	37.53
39	74.37	.88	36.86	37.74
40	37.51	.45	37.51	37.96
		$284.12	$1,000.00	$1,284.12

EXHIBIT D–3

REPAYMENT SCHEDULE IV - D
MONTHLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 3.96	$ 4.15	$ 8.11
2	995.85	3.94	4.22	8.16
3	991.63	3.93	4.29	8.22
4	987.34	3.91	4.36	8.27
5	982.98	3.89	4.43	8.32
6	978 55	3.88	4.50	8.38
7	974.05	3.86	4.57	8.43
8	969.48	3.84	4.64	8.48
9	964.84	3.82	4.71	8.53
10	960.13	3.80	4.78	8.58
11	955.35	3.78	4.85	8.63
12	950.50	3.76	4.92	8.68
13	945.58	3.74	4.99	8.73
14	940.59	3.72	5.06	8.78
15	935.53	3.70	5.13	8.83
16	930.40	3.68	5.20	8.88
17	925.20	3.66	5.27	8.93
18	919.93	3.64	5.35	8.99
19	914.58	3.62	5.42	9.04
20	909.16	3.60	5.49	9.09
21	903.67	3.58	5.56	9.14
22	898.11	3.56	5.63	9.19
23	892.48	3.53	5.70	9.23
24	886.78	3.51	5.77	9.28
25	881.01	3.49	5.84	9.33
26	875.17	3.47	5.91	9.38
27	869.26	3.44	5.98	9.42
28	863.28	3.42	6.05	9.47
29	857.23	3.39	6.12	9.51
30	851.11	3.37	6.19	9.56
31	844.92	3.35	6.26	9.61
32	838.66	3.32	6.33	9.65
33	832.33	3.30	6.40	9.70
34	825.93	3.27	6.47	9.74
35	819.46	3.25	6.54	9.79
36	812.92	3.22	6.61	9.83
37	806.31	3.19	6.68	9.87
38	799.63	3.17	6.75	9.92
39	792.88	3.14	6.82	9.96
40	786.06	3.11	6.89	10.00
41	779.17	3.09	6.96	10.05
42	772.21	3.06	7.03	10.09

EXHIBIT D–3

REPAYMENT SCHEDULE IV - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
43	765.18	3.03	7.10	10.13
44	758.08	3.00	7.17	10.17
45	750.91	2.97	7.24	10.21
46	743.67	2.94	7.31	10.25
47	736.36	2.92	7.38	10.30
48	728.98	2.89	7.45	10.34
49	721.53	2.86	7.52	10.38
50	714.01	2.83	7.59	10.42
51	706.42	2.80	7.67	10.47
52	698.75	2.77	7.74	10.51
53	691.01	2.74	7.81	10.55
54	683.20	2.71	7.88	10.59
55	675.32	2.67	7.95	10.62
56	667.37	2.64	8.02	10.66
57	659.35	2.61	8.09	10.70
58	651.26	2.58	8.16	10.74
59	643.10	2.55	8.23	10.78
60	634.87	2.51	8.30	10.81
61	626.57	2.48	8.37	10.85
62	618.20	2.45	8.44	10.89
63	609.76	2.41	8.51	10.92
64	601.25	2.38	8.58	10.96
65	592.67	2.35	8.65	11.00
66	584.02	2.31	8.72	11.03
67	575.30	2.28	8.79	11.07
68	566.51	2.24	8.86	11.10
69	557.65	2.21	8.93	11.14
70	548.72	2.17	9.00	11.17
71	539.72	2.14	9.07	11.21
72	530.65	2.10	9.14	11.24
73	521.51	2.07	9.21	11.28
74	512.30	2.03	9.28	11.31
75	503.02	1.99	9.35	11.34
76	493.67	1.95	9.42	11.37
77	484.25	1.92	9.49	11.41

EXHIBIT D–3

REPAYMENT SCHEDULE IV - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
78	474.76	1.88	9.56	11.44
79	465.20	1.84	9.63	11.47
80	455.57	1.80	9.70	11.50
81	445.87	1.77	9.77	11.54
82	436.10	1.73	9.84	11.57
83	426.26	1.69	9.91	11.60
84	416.35	1.65	9.98	11.63
85	406.37	1.61	10.06	11.67
86	396.31	1.57	10.12	11.69
87	386.19	1.53	10.19	11.72
88	376.00	1.49	10.26	11.75
89	365.74	1.45	10.34	11.79
90	355.40	1.41	10.41	11.82
91	344.99	1.37	10.48	11.85
92	334.51	1.32	10.56	11.88
93	323.95	1.28	10.62	11.90
94	313.33	1.24	10.69	11.93
95	302.64	1.20	10.76	11.96
96	291.88	1.16	10.83	11.99
97	281.05	1.11	10.90	12.01
98	270.15	1.07	10.97	12.04
99	259.18	1.03	11.04	12.07
100	248.14	.98	11.11	12.09
101	237.03	.94	11.18	12.12
102	225.85	.89	11.25	12.14
103	214.60	.85	11.32	12.17
104	203.28	.80	11.39	12.19
105	191.89	.76	11.46	12.22
106	180.43	.71	11.53	12.24
107	168.90	.67	11.60	12.27
108	157.30	.62	11.67	12.29
109	145.63	.58	11.74	12.32
110	133.89	.53	11.81	12.34
111	122.08	.48	11.88	12.36
112	110.20	.44	11.95	12.39
113	98.25	.39	12.02	12.41
114	86.23	.34	12.09	12.43
115	74.14	.29	12.16	12.45
116	61.98	.25	12.23	12.48
117	49.75	.20	12.30	12.50
118	37.45	.15	12.38	12.53
119	25.07	.10	12.45	12.55
120	12.62	.05	12.62	12.67
		$279.68	$1,000.00	$1,279.68

EXHIBIT D–3

PLAN V – GRADUATED PAYMENT ON PRINCIPAL, PLUS INTEREST

Repayment of $1,000.00 Over Ten Years

Interest Rate – 4¾ Percent

REPAYMENT SCHEDULE V - A
ANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 47.50	$ 75.00	$ 122.50
2	925.00	43.94	80.56	124.50
3	844.44	40.11	86.11	126.22
4	758.33	36.02	91.67	127.69
5	666.66	31.67	97.22	128.89
6	569.44	27.05	102.78	129.83
7	466.66	22.17	108.33	130.50
8	358.33	17.02	113.89	130.91
9	244.44	11.61	119.44	131.05
10	125.00	5.94	125.00	130.94
		$283.03	$1,000.00	$1,283.03

EXHIBIT D–3

REPAYMENT SCHEDULE V - B
SEMIANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 23.75	$ 37.50	$ 61.25
2	962.50	22.86	38.82	61.68
3	923.68	21.94	40.13	62.07
4	883.55	20.98	41.45	62.43
5	842.10	20.00	42.76	62.76
6	799.34	18.98	44.08	63.06
7	755.26	17.94	45.39	63.33
8	709.87	16.86	46.71	63.57
9	663.16	15.75	48.03	63.78
10	615.13	14.61	49.34	63.95
11	565.79	13.44	50.66	64.10
12	515.13	12.23	51.97	64.20
13	463.16	11.00	53.29	64.29
14	409.87	9.73	54.60	64.33
15	355.27	8.44	55.92	64.36
16	299.35	7.11	57.24	64.35
17	242.11	5.75	58.55	64.30
18	183.56	4.36	59.87	64.23
19	123.69	2.94	61.18	64.12
20	62.51	1.48	62.51	63.99
		$270.15	$1,000.00	$1,270.15

EXHIBIT D–3

REPAYMENT SCHEDULE V - C
QUARTERLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 11.88	$ 18.75	$ 30.63
2	981.25	11.66	19.07	30.73
3	962.18	11.43	19.39	30.82
4	942.79	11.20	19.71	30.91
5	923.08	10.97	20.03	31.00
6	903.05	10.73	20.35	31.08
7	882.70	10.49	20.67	31.16
8	862.03	10.24	20.99	31.23
9	841.04	9.99	21.31	31.30
10	819.73	9.74	21.63	31.37
11	798.10	9.48	21.96	31.44
12	776.14	9.22	22.28	31.50
13	753.86	8.96	22.60	31.56
14	731.26	8.69	22.92	31.61
15	708.34	8.42	23.24	31.66
16	685.10	8.14	23.56	31.70
17	661.54	7.86	23.88	31.74
18	637.66	7.58	24.20	31.78
19	613.46	7.29	24.52	31.81
20	588.94	7.00	24.84	31.84
21	564.10	6.70	25.16	31.86
22	538.94	6.40	25.48	31.88
23	513.46	6.10	25.80	31.90
24	487.66	5.79	26.12	31.91
25	461.54	5.48	26.44	31.92
26	435.10	5.17	26.76	31.93
27	408.34	4.85	27.08	31.93
28	381.26	4.53	27.40	31.93
29	353.86	4.20	27.72	31.92
30	326.14	3.87	28.04	31.91
31	298.10	3.54	28.37	31.91
32	269.73	3.20	28.69	31.89
33	241.04	2.86	29.01	31.87
34	212.03	2.52	29.33	31.85
35	182.70	2.17	29.65	31.82
36	153.05	1.82	29.97	31.79
37	123.08	1.46	30.29	31.75
38	92.79	1.10	30.61	31.71
39	62.18	.74	30.93	31.67
40	31.25	.37	31.25	31.62
		$263.84	$1,000.00	$1,263.84

EXHIBIT D–3

REPAYMENT SCHEDULE V - D
MONTHLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 3.96	$ 6.25	$ 10.21
2	993.75	3.94	6.29	10.23
3	987.46	3.91	6.32	10.23
4	981.14	3.89	6.35	10.24
5	974.79	3.86	6.39	10.25
6	968.40	3.83	6.43	10.26
7	961.97	3.81	6.46	10.27
8	955.51	3.78	6.49	10.27
9	949.02	3.76	6.53	10.29
10	942.49	3.73	6.57	10.30
11	935.92	3.71	6.60	10.31
12	929.32	3.68	6.63	10.31
13	922.69	3.65	6.67	10.32
14	916.02	3.63	6.71	10.34
15	909.31	3.60	6.74	10.34
16	902.57	3.57	6.77	10.34
17	895.80	3.55	6.81	10.36
18	888.99	3.52	6.85	10.37
19	882.14	3.49	6.88	10.37
20	875.26	3.47	6.91	10.38
21	868.35	3.44	6.95	10.39
22	861.40	3.41	6.99	10.40
23	854.41	3.38	7.02	10.40
24	847.39	3.36	7.05	10.41
25	840.34	3.33	7.09	10.42
26	833.25	3.30	7.13	10.43
27	826.12	3.27	7.16	10.43
28	818.96	3.24	7.19	10.43
29	811.77	3.21	7.23	10.44
30	804.54	3.19	7.27	10.46
31	797.27	3.16	7.30	10.46
32	789.97	3.13	7.33	10.46
33	782.64	3.10	7.37	10.47
34	775.27	3.07	7.41	10.48
35	767.86	3.04	7.44	10.48
36	760.42	3.01	7.47	10.48

EXHIBIT D–3

REPAYMENT SCHEDULE V - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
37	752.95	2.98	7.51	10.49
38	745.44	2.95	7.55	10.50
39	737.89	2.92	7.58	10.50
40	730.31	2.89	7.61	10.50
41	722.70	2.86	7.65	10.51
42	715.05	2.83	7.69	10.52
43	707.36	2.80	7.72	10.52
44	699.64	2.77	7.75	10.52
45	691.89	2.74	7.79	10.53
46	684.10	2.71	7.83	10.54
47	676.27	2.68	7.86	10.54
48	668.41	2.65	7.89	10.54
49	660.52	2.62	7.93	10.55
50	652.59	2.58	7.97	10.55
51	644.62	2.55	8.00	10.55
52	636.62	2.52	8.03	10.55
53	628.59	2.49	8.07	10.56
54	620.52	2.46	8.11	10.57
55	612.41	2.43	8.14	10.57
56	604.27	2.39	8.17	10.56
57	596.10	2.36	8.21	10.57
58	587.89	2.33	8.25	10.58
59	579.64	2.30	8.28	10.58
60	571.36	2.26	8.31	10.57
61	563.05	2.23	8.35	10.58
62	554.70	2.20	8.39	10.59
63	546.31	2.16	8.42	10.58
64	537.89	2.13	8.45	10.58
65	529.44	2.10	8.49	10.59
66	520.95	2.06	8.53	10.59
67	512.42	2.03	8.56	10.59
68	503.86	2.00	8.59	10.59
69	495.27	1.96	8.63	10.59
70	486.64	1.93	8.67	10.60
71	477.97	1.89	8.70	10.59
72	469.27	1.86	8.73	10.59

EXHIBIT D–3

REPAYMENT SCHEDULE V - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
73	460.54	1.82	8.77	10.59
74	451.77	1.79	8.81	10.60
75	442.96	1.75	8.84	10.59
76	434.12	1.72	8.87	10.59
77	425.25	1.68	8.91	10.59
78	416.34	1.65	8.95	10.60
79	407.39	1.61	8.98	10.59
80	398.41	1.58	9.01	10.59
81	389.40	1.54	9.05	10.59
82	380.35	1.51	9.09	10.60
83	371.26	1.47	9.12	10.59
84	362.14	1.43	9.15	10.58
85	352.99	1.40	9.19	10.59
86	343.80	1.36	9.23	10.59
87	334.57	1.32	9.26	10.58
88	325.31	1.29	9.29	10.58
89	316.02	1.25	9.33	10.58
90	306.69	1.21	9.37	10.58
91	297.32	1.18	9.40	10.58
92	287.92	1.14	9.43	10.57
93	278.49	1.10	9.47	10.57
94	269.02	1.07	9.51	10.58
95	259.51	1.03	9.54	10.57
96	249.97	.99	9.57	10.56
97	240.40	.95	9.61	10.56
98	230.79	.91	9.65	10.56
99	221.14	.88	9.68	10.56
100	211.46	.84	9.71	10.55
101	201.75	.80	9.75	10.55
102	192.00	.76	9.79	10.55
103	182.21	.72	9.82	10.54
104	172.39	.68	9.85	10.53
105	162.54	.64	9.89	10.53
106	152.65	.60	9.93	10.53
107	142.72	.57	9.96	10.53
108	132.76	.53	9.99	10.52
109	122.77	.49	10.03	10.52
110	112.74	.45	10.07	10.52
111	102.67	.41	10.10	10.51
112	92.57	.37	10.13	10.50
113	82.44	.33	10.17	10.50
114	72.27	.29	10.21	10.50
115	62.06	.25	10.24	10.49
116	51.82	.21	10.27	10.48
117	41.55	.16	10.31	10.47
118	31.24	.12	10.35	10.47
119	20.89	.08	10.38	10.46
120	10.51	.04	10.51	10.55
		$259.57	$1,000.00	$1,259.57

EXHIBIT D–4

PLAN I – EQUAL TOTAL PAYMENTS OF PRINCIPAL AND INTEREST

Repayment of $1,000 Over Ten Years

Interest Rate - 5 3/8 Percent

REPAYMENT SCHEDULE I - A
ANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 53.75	$ 78.13	$ 131.88
2	921.87	49.55	82.33	131.88
3	839.54	45.13	86.75	131.88
4	752.79	40.46	91.42	131.88
5	661.37	35.55	96.33	131.88
6	565.04	30.37	101.51	131.88
7	463.53	24.91	106.97	131.88
8	356.56	19.17	112.71	131.88
9	243.85	13.11	118.77	131.88
10	125.08	6.72	125.08	131.80
		$318.72	$1,000.00	$1,318.72

EXHIBIT D–4

REPAYMENT SCHEDULE I - B
SEMIANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 26.88	$ 38.41	$ 65.29
2	961.59	25.85	39.44	65.29
3	922.15	24.79	40.50	65.29
4	881.65	23.69	41.60	65.29
5	840.05	22.58	42.71	65.29
6	797.34	21.43	43.86	65.29
7	753.48	20.25	45.04	65.29
8	708.44	19.04	46.25	65.29
9	662.19	17.80	47.49	65.29
10	614.70	16.52	48.77	65.29
11	565.93	15.21	50.08	65.29
12	515.85	13.87	51.42	65.29
13	464.43	12.48	52.81	65.29
14	411.62	11.06	54.23	65.29
15	357.39	9.61	55.68	65.29
16	301.71	8.11	57.18	65.29
17	244.53	6.57	58.72	65.29
18	185.81	4.99	60.30	65.29
19	125.51	3.37	61.92	65.29
20	63.59	1.71	63.59	65.30
		$305.81	$1,000.00	$1,305.81

EXHIBIT D–4

REPAYMENT SCHEDULE I - C
QUARTERLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 13.44	$ 19.04	$ 32.48
2	980.96	13.18	19.30	32.48
3	961.66	12.92	19.56	32.48
4	942.10	12.66	19.82	32.48
5	922.28	12.40	20.08	32.48
6	902.20	12.13	20.35	32.48
7	881.85	11.85	20.63	32.48
8	861.22	11.57	20.91	32.48
9	840.31	11.29	21.19	32.48
10	819.12	11.01	21.47	32.48
11	797.65	10.72	21.76	32.48
12	775.89	10.43	22.05	32.48
13	753.84	10.13	22.35	32.48
14	731.49	9.83	22.65	32.48
15	708.84	9.53	22.95	32.48
16	685.89	9.22	23.26	32.48
17	662.63	8.91	23.57	32.48
18	639.06	8.59	23.89	32.48
19	615.17	8.27	24.21	32.48
20	590.96	7.94	24.54	32.48
21	566.42	7.61	24.87	32.48
22	541.55	7.28	25.20	32.48
23	516.35	6.94	25.54	32.48
24	490.81	6.60	25.88	32.48
25	464.93	6.25	26.23	32.48
26	438.70	5.90	26.58	32.48
27	412.12	5.54	26.94	32.48
28	385.18	5.18	27.30	32.48
29	357.88	4.81	27.67	32.48
30	330.21	4.44	28.04	32.48
31	302.17	4.06	28.42	32.48
32	273.75	3.68	28.80	32.48
33	244.95	3.29	29.19	32.48
34	215.76	2.90	29.58	32.48
35	186.18	2.50	29.98	32.48
36	156.20	2.10	30.38	32.48
37	125.82	1.69	30.79	32.48
38	95.03	1.28	31.20	32.48
39	63.83	.86	31.62	32.48
40	32.21	.43	32.21	32.64
		$299.36	$1,000.00	$1,299.36

EXHIBIT D–4

REPAYMENT SCHEDULE I - D
MONTHLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 4.48	$ 6.31	$ 10.79
2	993.69	4.45	6.34	10.79
3	987.35	4.42	6.37	10.79
4	980.98	4.39	6.40	10.79
5	974.58	4.37	6.42	10.79
6	968.16	4.34	6.45	10.79
7	961.71	4.31	6.48	10.79
8	955.23	4.28	6.51	10.79
9	948.72	4.25	6.54	10.79
10	942.18	4.22	6.57	10.79
11	935.61	4.19	6.60	10.79
12	929.01	4.16	6.63	10.79
13	922.38	4.13	6.66	10.79
14	915.72	4.10	6.69	10.79
15	909.03	4.07	6.72	10.79
16	902.31	4.04	6.75	10.79
17	895.56	4.01	6.78	10.79
18	888.78	3.98	6.81	10.79
19	881.97	3.95	6.84	10.79
20	875.13	3.92	6.87	10.79
21	868.26	3.89	6.90	10.79
22	861.36	3.86	6.93	10.79
23	854.43	3.83	6.96	10.79
24	847.47	3.80	6.99	10.79
25	840.48	3.77	7.02	10.79
26	833.46	3.73	7.06	10.79
27	826.40	3.70	7.09	10.79
28	819.31	3.67	7.12	10.79
29	812.19	3.64	7.15	10.79
30	805.04	3.61	7.18	10.79
31	797.86	3.57	7.22	10.79
32	790.64	3.54	7.25	10.79
33	783.39	3.51	7.28	10.79
34	776.11	3.48	7.31	10.79
35	768.80	3.44	7.35	10.79
36	761.45	3.41	7.38	10.79

EXHIBIT D–4

REPAYMENT SCHEDULE I - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
37	754.07	3.38	7.41	10.79
38	746.66	3.35	7.44	10.79
39	739.22	3.31	7.48	10.79
40	731.74	3.28	7.51	10.79
41	724.23	3.24	7.55	10.79
42	716.68	3.21	7.58	10.79
43	709.10	3.18	7.61	10.79
44	701.49	3.14	7.65	10.79
45	693.84	3.11	7.68	10.79
46	686.16	3.07	7.72	10.79
47	678.44	3.04	7.75	10.79
48	670.69	3.00	7.79	10.79
49	662.90	2.97	7.82	10.79
50	655.08	2.93	7.86	10.79
51	647.22	2.90	7.89	10.79
52	639.33	2.86	7.93	10.79
53	631.40	2.83	7.96	10.79
54	623.44	2.79	8.00	10.79
55	615.44	2.76	8.03	10.79
56	607.41	2.72	8.07	10.79
57	599.34	2.69	8.10	10.79
58	591.24	2.65	8.14	10.79
59	583.10	2.61	8.18	10.79
60	574.92	2.58	8.21	10.79
61	566.71	2.54	8.25	10.79
62	558.46	2.50	8.29	10.79
63	550.17	2.46	8.33	10.79
64	541.84	2.43	8.36	10.79
65	533.48	2.39	8.40	10.79
66	525.08	2.35	8.44	10.79
67	516.64	2.31	8.48	10.79
68	508.16	2.28	8.51	10.79
69	499.65	2.24	8.55	10.79
70	491.10	2.20	8.59	10.79
71	482.51	2.16	8.63	10.79
72	473.88	2.12	8.67	10.79

EXHIBIT D–4

REPAYMENT SCHEDULE I - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
73	465.21	2.08	8.71	10.79
74	456.50	2.05	8.74	10.79
75	447.76	2.01	8.78	10.79
76	438.98	1.97	8.82	10.79
77	430.16	1.93	8.86	10.79
78	421.30	1.89	8.90	10.79
79	412.40	1.85	8.94	10.79
80	403.46	1.81	8.98	10.79
81	394.48	1.77	9.02	10.79
82	385.46	1.73	9.06	10.79
83	376.40	1.69	9.10	10.79
84	367.30	1.65	9.14	10.79
85	358.16	1.60	9.19	10.79
86	348.97	1.56	9.23	10.79
87	339.74	1.52	9.27	10.79
88	330.47	1.48	9.31	10.79
89	321.16	1.44	9.35	10.79
90	311.81	1.40	9.39	10.79
91	302.42	1.35	9.44	10.79
92	292.98	1.31	9.48	10.79
93	283.50	1.27	9.52	10.79
94	273.98	1.23	9.56	10.79
95	264.42	1.18	9.61	10.79
96	254.81	1.14	9.65	10.79
97	245.16	1.10	9.69	10.79
98	235.47	1.05	9.74	10.79
99	225.73	1.01	9.78	10.79
100	215.95	.97	9.82	10.79
101	206.13	.92	9.87	10.79
102	196.26	.88	9.91	10.79
103	186.35	.83	9.96	10.79
104	176.39	.79	10.00	10.79
105	166.39	.75	10.04	10.79
106	156.35	.70	10.09	10.79
107	146.26	.66	10.13	10.79
108	136.13	.61	10.18	10.79
109	125.95	.56	10.23	10.79
110	115.72	.52	10.27	10.79
111	105.45	.47	10.32	10.79
112	95.13	.43	10.36	10.79
113	84.77	.38	10.41	10.79
114	74.36	.33	10.46	10.79
115	63.90	.29	10.50	10.79
116	53.40	.24	10.55	10.79
117	42.85	.19	10.60	10.79
118	32.25	.14	10.65	10.79
119	21.60	.10	10.69	10.79
120	10.91	.05	10.91	10.96
		$294.97	$1,000.00	$1,294.97

EXHIBIT D–4

PLAN II – EQUAL PAYMENTS ON PRINCIPAL AND INTEREST

Repayment of $1,000 Over Ten Years

Interest Rate - 5 3/8 Percent

REPAYMENT SCHEDULE II - A
ANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 53.75	$ 100.00	$ 153.75
2	900.00	48.38	100.00	148.38
3	800.00	43.00	100.00	143.00
4	700.00	37.63	100.00	137.63
5	600.00	32.25	100.00	132.25
6	500.00	26.88	100.00	126.88
7	400.00	21.50	100.00	121.50
8	300.00	16.13	100.00	116.13
9	200.00	10.75	100.00	110.75
10	100.00	5.38	100.00	105.38
		$295.65	$1,000.00	$1,295.65

EXHIBIT D–4

REPAYMENT SCHEDULE II -B
SEMIANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 26.88	$ 50.00	$ 76.88
2	950.00	25.54	50.00	75.54
3	900.00	24.19	50.00	74.19
4	850.00	22.85	50.00	72.85
5	800.00	21.50	50.00	71.50
6	750.00	20.16	50.00	70.16
7	700.00	18.82	50.00	68.82
8	650.00	17.47	50.00	67.47
9	600.00	16.13	50.00	66.13
10	550.00	14.78	50.00	64.78
11	500.00	13.44	50.00	63.44
12	450.00	12.10	50.00	62.10
13	400.00	10.75	50.00	60.75
14	350.00	9.41	50.00	59.41
15	300.00	8.06	50.00	58.06
16	250.00	6.72	50.00	56.72
17	200.00	5.38	50.00	55.38
18	150.00	4.03	50.00	54.03
19	100.00	2.69	50.00	52.69
20	50.00	1.34	50.00	51.34
		$282.24	$1,000.00	$1,282.24

EXHIBIT D–4

REPAYMENT SCHEDULE II - C
QUARTERLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 13.44	$ 25.00	$ 38.44
2	975.00	13.10	25.00	38.10
3	950.00	12.77	25.00	37.77
4	925.00	12.43	25.00	37.43
5	900.00	12.10	25.00	37.10
6	875.00	11.76	25.00	36.76
7	850.00	11.42	25.00	36.42
8	825.00	11.09	25.00	36.09
9	800.00	10.75	25.00	35.75
10	775.00	10.42	25.00	35.42
11	750.00	10.08	25.00	35.08
12	725.00	9.74	25.00	34.74
13	700.00	9.41	25.00	34.41
14	675.00	9.07	25.00	34.07
15	650.00	8.74	25.00	33.74
16	625.00	8.40	25.00	33.40
17	600.00	8.06	25.00	33.06
18	575.00	7.73	25.00	32.73
19	550.00	7.39	25.00	32.39
20	525.00	7.06	25.00	32.06
21	500.00	6.72	25.00	31.72
22	475.00	6.38	25.00	31.38
23	450.00	6.05	25.00	31.05
24	425.00	5.72	25.00	30.72
25	400.00	5.38	25.00	30.38
26	375.00	5.04	25.00	30.04
27	350.00	4.70	25.00	29.70
28	325.00	4.37	25.00	29.37
29	300.00	4.03	25.00	29.03
30	275.00	3.70	25.00	28.70
31	250.00	3.36	25.00	28.36
32	225.00	3.02	25.00	28.02
33	200.00	2.69	25.00	27.69
34	175.00	2.35	25.00	27.35
35	150.00	2.02	25.00	27.02
36	125.00	1.68	25.00	26.68
37	100.00	1.34	25.00	26.34
38	75.00	1.01	25.00	26.01
39	50.00	.67	25.00	25.67
40	25.00	.34	25.00	25.34
		$275.53	$1,000.00	$1,275.53

EXHIBIT D–4

REPAYMENT SCHEDULE II– D
MONTHLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 4.48	$ 8.33	$ 12.81
2	991.67	4.44	8.33	12.77
3	983.34	4.41	8.34	12.75
4	975.00	4.37	8.33	12.70
5	966.67	4.33	8.33	12.66
6	958.34	4.29	8.34	12.63
7	950.00	4.26	8.33	12.59
8	941.67	4.22	8.33	12.55
9	933.34	4.18	8.34	12.52
10	925.00	4.14	8.33	12.47
11	916.67	4.11	8.33	12.44
12	908.34	4.07	8.34	12.41
13	900.00	4.03	8.33	12.36
14	891.67	3.99	8.33	12.32
15	883.34	3.96	8.34	12.30
16	875.00	3.92	8.33	12.25
17	866.67	3.88	8.33	12.21
18	858.34	3.85	8.34	12.19
19	850.00	3.81	8.33	12.14
20	841.67	3.77	8.33	12.10
21	833.34	3.73	8.34	12.07
22	825.00	3.70	8.33	12.03
23	816.67	3.66	8.33	11.99
24	808.34	3.62	8.34	11.96
25	800.00	3.58	8.33	11.91
26	791.67	3.55	8.33	11.88
27	783.34	3.51	8.34	11.85
28	775.00	3.47	8.33	11.80
29	766.67	3.43	8.33	11.76
30	758.34	3.40	8.34	11.74
31	750.00	3.36	8.33	11.69
32	741.67	3.32	8.33	11.65
33	733.34	3.29	8.34	11.63
34	725.00	3.25	8.33	11.58
35	716.67	3.21	8.33	11.54
36	708.34	3.17	8.34	11.51

EXHIBIT D–4

REPAYMENT SCHEDULE II - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
37	700.00	3.14	8.33	11.47
38	691.67	3.10	8.33	11.43
39	683.34	3.06	8.34	11.40
40	675.00	3.02	8.33	11.35
41	666.67	2.99	8.33	11.32
42	658.34	2.95	8.34	11.29
43	650.00	2.91	8.33	11.24
44	641.67	2.87	8.33	11.20
45	633.34	2.84	8.34	11.18
46	625.00	2.80	8.33	11.13
47	616.67	2.76	8.33	11.09
48	608.34	2.73	8.34	11.07
49	600.00	2.69	8.33	11.02
50	591.67	2.65	8.33	10.98
51	583.34	2.61	8.34	10.95
52	575.00	2.58	8.33	10.91
53	566.67	2.54	8.33	10.87
54	558.34	2.50	8.34	10.84
55	550.00	2.46	8.33	10.79
56	541.67	2.43	8.33	10.76
57	533.34	2.39	8.34	10.73
58	525.00	2.35	8.33	10.68
59	516.67	2.31	8.33	10.64
60	508.34	2.28	8.34	10.62
61	500.00	2.24	8.33	10.57
62	491.67	2.20	8.33	10.53
63	483.34	2.17	8.34	10.51
64	475.00	2.13	8.33	10.46
65	466.67	2.09	8.33	10.42
66	458.34	2.05	8.34	10.39
67	450.00	2.02	8.33	10.35
68	441.67	1.98	8.33	10.31
69	433.34	1.94	8.34	10.28
70	425.00	1.90	8.33	10.23
71	416.67	1.87	8.33	10.20
72	408.34	1.83	8.34	10.17

EXHIBIT D–4

REPAYMENT SCHEDULE II - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
73	400.00	1.79	8.33	10.12
74	391.67	1.75	8.33	10.08
75	383.34	1.72	8.34	10.06
76	375.00	1.68	8.33	10.01
77	366.67	1.64	8.33	9.97
78	358.34	1.61	8.34	9.95
79	350.00	1.57	8.33	9.90
80	341.67	1.53	8.33	9.86
81	333.34	1.49	8.34	9.83
82	325.00	1.46	8.33	9.79
83	316.67	1.42	8.33	9.75
84	308.34	1.38	8.34	9.72
85	300.00	1.34	8.33	9.67
86	291.67	1.31	8.33	9.64
87	283.34	1.27	8.34	9.61
88	275.00	1.23	8.33	9.56
89	266.67	1.19	8.33	9.52
90	258.34	1.16	8.34	9.50
91	250.00	1.12	8.33	9.45
92	241.67	1.08	8.33	9.41
93	233.34	1.05	8.34	9.39
94	225.00	1.01	8.33	9.34
95	216.67	.97	8.33	9.30
96	208.34	.93	8.34	9.27
97	200.00	.90	8.33	9.23
98	191.67	.86	8.33	9.19
99	183.34	.82	8.34	9.16
100	175.00	.78	8.33	9.11
101	166.67	.75	8.33	9.08
102	158.34	.71	8.34	9.05
103	150.00	.67	8.33	9.00
104	141.67	.63	8.33	8.96
105	133.34	.60	8.34	8.94
106	125.00	.56	8.33	8.89
107	116.67	.52	8.33	8.85
108	108.34	.49	8.34	8.83
109	100.00	.45	8.33	8.78
110	91.67	.41	8.33	8.74
111	83.34	.37	8.34	8.71
112	75.00	.34	8.33	8.67
113	66.67	.30	8.33	8.63
114	58.34	.26	8.34	8.60
115	50.00	.22	8.33	8.55
116	41.67	.19	8.33	8.52
117	33.34	.15	8.34	8.49
118	25.00	.11	8.33	8.44
119	16.67	.07	8.33	8.40
120	8.34	.04	8.34	8.38
		$271.04	$1,000.00	$1,271.04

EXHIBIT D–4

PLAN III – GRADUATED PAYMENTS ON PRINCIPAL AND INTEREST

Repayment of $1,000 Over Ten Years

Interest Rate - 5 3/8 Percent

REPAYMENT SCHEDULE III - A
ANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 53.75	$ 25.00	$ 78.75
2	975.00	52.41	41.67	94.08
3	933.33	50.17	58.33	108.50
4	875.00	47.03	75.00	122.03
5	800.00	43.00	91.66	134.66
6	708.34	38.07	108.33	146.40
7	600.01	32.25	125.00	157.25
8	475.01	25.53	141.66	167.19
9	333.35	17.92	158.33	176.25
10	175.02	9.41	175.02	184.43
		$369.54	$1,000.00	$1,369.54

EXHIBIT D–4

REPAYMENT SCHEDULE III - B
SEMIANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 26.88	$ 12.50	$ 39.38
2	987.50	26.54	16.45	42.99
3	971.05	26.10	20.39	46.49
4	950.66	25.55	24.34	49.89
5	926.32	24.90	28.29	53.19
6	898.03	24.14	32.24	56.38
7	865.79	23.27	36.18	59.45
8	829.61	22.30	40.13	62.43
9	789.48	21.22	44.08	65.30
10	745.40	20.04	48.03	68.07
11	697.37	18.75	51.97	70.72
12	645.40	17.35	55.92	73.27
13	589.48	15.85	59.88	75.73
14	529.60	14.24	63.81	78.05
15	465.79	12.52	67.76	80.28
16	398.03	10.70	71.71	82.41
17	326.32	8.77	75.66	84.43
18	250.66	6.74	79.60	86.34
19	171.06	4.60	83.55	88.15
20	87.51	2.35	87.51	89.86
		$352.81	$1,000.00	$1,352.81

EXHIBIT D–4

REPAYMENT SCHEDULE III - C
QUARTERLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 13.44	$ 6.25	$ 19.69
2	993.75	13.36	7.21	20.57
3	986.54	13.26	8.17	21.43
4	978.37	13.15	9.13	22.28
5	969.24	13.03	10.10	23.13
6	959.14	12.89	11.06	23.95
7	948.08	12.74	12.02	24.76
8	936.06	12.58	12.98	25.56
9	923.08	12.41	13.94	26.35
10	909.14	12.22	14.90	27.12
11	894.24	12.02	15.87	27.89
12	878.37	11.81	16.83	28.64
13	861.54	11.58	17.79	29.37
14	843.75	11.34	18.75	30.09
15	825.00	11.09	19.71	30.80
16	805.29	10.82	20.67	31.49
17	784.62	10.55	21.63	32.18
18	762.99	10.25	22.60	32.85
19	740.39	9.95	23.56	33.51
20	716.83	9.63	24.52	34.15
21	692.31	9.30	25.48	34.78
22	666.83	8.96	26.44	35.40
23	640.39	8.61	27.40	36.01
24	612.99	8.24	28.36	36.60
25	584.63	7.86	29.33	37.19
26	555.30	7.46	30.29	37.75
27	525.01	7.06	31.25	38.31
28	493.76	6.64	32.21	38.85
29	461.55	6.20	33.17	39.37
30	428.38	5.76	34.13	39.89
31	394.25	5.30	35.10	40.40
32	359.15	4.83	36.06	40.89
33	323.09	4.34	37.02	41.36
34	286.07	3.84	37.98	41.82
35	248.09	3.33	38.94	42.27
36	209.15	2.81	39.90	42.71
37	169.25	2.27	40.86	43.13
38	128.39	1.73	41.83	43.56
39	86.56	1.16	42.79	43.95
40	43.77	.59	43.77	44.36
		$344.41	$1,000.00	$1,344.41

EXHIBIT D–4

REPAYMENT SCHEDULE III - D
MONTHLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$ 1,000.00	$ 4.48	$ 2.05	$ 6.53
2	997.95	4.47	2.16	6.63
3	995.79	4.46	2.26	6.72
4	993.53	4.45	2.37	6.82
5	991.16	4.44	2.47	6.91
6	988.69	4.43	2.58	7.01
7	986.11	4.42	2.68	7.10
8	983.43	4.41	2.79	7.20
9	980.64	4.39	2.89	7.28
10	977.75	4.38	3.00	7.38
11	974.75	4.37	3.11	7.48
12	971.64	4.35	3.21	7.56
13	968.43	4.34	3.32	7.66
14	965.11	4.32	3.42	7.74
15	961.69	4.31	3.53	7.84
16	958.16	4.29	3.63	7.92
17	954.53	4.28	3.74	8.02
18	950.79	4.26	3.85	8.11
19	946.94	4.24	3.95	8.19
20	942.99	4.22	4.06	8.28
21	938.93	4.21	4.16	8.37
22	934.77	4.19	4.27	8.46
23	930.50	4.17	4.37	8.54
24	926.13	4.15	4.48	8.63
25	921.65	4.13	4.58	8.71
26	917.07	4.11	4.69	8.80
27	912.38	4.09	4.80	8.89
28	907.58	4.07	4.90	8.97
29	902.68	4.04	5.01	9.05
30	897.67	4.02	5.11	9.13
31	892.56	4.00	5.22	9.22
32	887.34	3.98	5.32	9.30
33	882.02	3.95	5.43	9.38
34	876.59	3.93	5.53	9.46
35	871.06	3.90	5.64	9.54
36	865.42	3.88	5.75	9.63
37	859.67	3.85	5.85	9.70
38	853.82	3.83	5.96	9.79
39	847.86	3.80	6.06	9.86

EXHIBIT D–4

REPAYMENT SCHEDULE III - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
40	841.80	3.77	6.17	9.94
41	835.63	3.74	6.27	10.01
42	829.36	3.72	6.38	10.10
43	822.98	3.69	6.49	10.18
44	816.49	3.66	6.59	10.25
45	809.90	3.63	6.70	10.33
46	803.20	3.60	6.80	10.40
47	796.40	3.57	6.91	10.48
48	789.49	3.54	7.01	10.55
49	782.48	3.51	7.12	10.63
50	775.36	3.47	7.22	10.69
51	768.14	3.44	7.33	10.77
52	760.81	3.41	7.44	10.85
53	753.37	3.38	7.54	10.92
54	745.83	3.34	7.65	10.99
55	738.18	3.31	7.75	11.06
56	730.43	3.27	7.86	11.13
57	722.57	3.24	7.96	11.20
58	714.61	3.20	8.07	11.27
59	706.54	3.17	8.17	11.34
60	698.37	3.13	8.28	11.41
61	690.09	3.09	8.39	11.48
62	681.70	3.05	8.49	11.54
63	673.21	3.02	8.60	11.62
64	664.61	2.98	8.70	11.68
65	655.91	2.94	8.81	11.75
66	647.10	2.90	8.91	11.81
67	638.19	2.86	9.02	11.88
68	629.17	2.82	9.13	11.95
69	620.04	2.78	9.23	12.01
70	610.81	2.74	9.34	12.08
71	601.47	2.69	9.44	12.13
72	592.03	2.65	9.55	12.20
73	582.48	2.61	9.65	12.26
74	572.83	2.57	9.76	12.33
75	563.07	2.52	9.86	12.38
76	553.21	2.48	9.97	12.45
77	543.24	2.43	10.08	12.51
78	533.16	2.39	10.18	12.57
79	522.98	2.34	10.28	12.62
80	512.70	2.30	10.39	12.69
81	502.31	2.25	10.50	12.75
82	491.81	2.20	10.60	12.80
83	481.21	2.16	10.71	12.87
84	470.50	2.11	10.81	12.92

EXHIBIT D–4

REPAYMENT SCHEDULE III - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
85	459.69	2.06	10.92	12.98
86	448.77	2.01	11.03	13.04
87	437.74	1.96	11.13	13.09
88	426.61	1.91	11.24	13.15
89	415.37	1.86	11.34	13.20
90	404.03	1.81	11.45	13.26
91	392.58	1.76	11.55	13.31
92	381.03	1.71	11.66	13.37
93	369.37	1.65	11.77	13.42
94	357.60	1.60	11.87	13.47
95	345.73	1.55	11.98	13.53
96	333.75	1.50	12.08	13.58
97	321.67	1.44	12.19	13.63
98	309.48	1.39	12.29	13.68
99	297.19	1.33	12.40	13.73
100	284.79	1.28	12.50	13.78
101	272.29	1.22	12.61	13.83
102	259.68	1.16	12.72	13.88
103	246.96	1.11	12.82	13.93
104	234.14	1.05	12.93	13.98
105	221.21	.99	13.03	14.02
106	208.18	.93	13.14	14.07
107	195.04	.87	13.24	14.11
108	181.80	.81	13.35	14.16
109	168.45	.75	13.45	14.20
110	155.00	.69	13.56	14.25
111	141.44	.63	13.67	14.30
112	127.77	.57	13.77	14.34
113	114.00	.51	13.88	14.39
114	100.12	.45	13.98	14.43
115	86.14	.39	14.09	14.48
116	72.05	.32	14.19	14.51
117	57.86	.26	14.30	14.56
118	43.56	.20	14.41	14.61
119	29.15	.13	14.51	14.64
120	14.64	.07	14.64	14.71
		$339.21	$1,000.00	$1,339.21

EXHIBIT D–4

PLAN IV – GRADUATED PAYMENTS ON PRINCIPAL AND INTEREST

Repayment of $1,000 Over Ten Years

Interest Rate - 5 3/8 Percent

REPAYMENT SCHEDULE IV - A
ANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 53.75	$ 50.00	$ 103.75
2	950.00	51.06	61.11	112.17
3	888.89	47.78	72.22	120.00
4	816.67	43.90	83.33	127.23
5	733.34	39.42	94.44	133.86
6	638.90	34.34	105.55	139.89
7	533.35	28.67	116.67	145.34
8	416.68	22.40	127.78	150.18
9	288.90	15.53	138.89	154.42
10	150.01	8.07	150.01	158.08
		$344.92	$1,000.00	$1,344.92

EXHIBIT D–4

REPAYMENT SCHEDULE IV - B
SEMI-ANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 26.88	$ 25.00	$ 51.88
2	975.00	26.21	27.63	53.84
3	947.37	25.47	30.26	55.73
4	917.11	24.65	32.89	57.54
5	884.22	23.77	35.53	59.30
6	848.69	22.81	38.16	60.97
7	810.53	21.79	40.79	62.58
8	769.74	20.69	43.42	64.11
9	726.32	19.52	46.05	65.57
10	680.27	18.29	48.68	66.97
11	631.59	16.98	51.32	68.30
12	580.27	15.60	53.95	69.55
13	526.32	14.15	56.58	70.73
14	469.74	12.63	59.21	71.84
15	410.53	11.04	61.84	72.88
16	348.69	9.37	64.47	73.84
17	284.22	7.64	67.10	74.74
18	217.12	5.84	69.74	75.58
19	147.38	3.96	72.37	76.33
20	75.01	2.02	75.01	77.03
		$329.31	$1,000.00	$1,329.31

EXHIBIT D–4

REPAYMENT SCHEDULE IV - C
QUARTERLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 13.44	$ 12.50	$ 25.94
2	987.50	13.27	13.14	26.41
3	974.36	13.10	13.78	26.88
4	960.58	12.91	14.42	27.33
5	946.16	12.72	15.06	27.78
6	931.10	12.51	15.71	28.22
7	915.39	12.30	16.35	28.65
8	899.04	12.08	16.99	29.07
9	882.05	11.85	17.63	29.48
10	864.42	11.62	18.26	29.88
11	846.16	11.37	18.91	30.28
12	827.25	11.12	19.55	30.67
13	807.70	10.86	20.19	31.05
14	787.51	10.58	20.83	31.41
15	766.68	10.30	21.47	31.77
16	745.21	10.02	22.12	32.14
17	723.09	9.72	22.76	32.48
18	700.33	9.41	23.40	32.81
19	676.93	9.10	24.04	33.14
20	652.89	8.77	24.68	33.45
21	628.21	8.44	25.32	33.76
22	602.89	8.10	25.96	34.06
23	576.93	7.75	26.60	34.35
24	550.33	7.40	27.24	34.64
25	523.09	7.03	27.88	34.91
26	495.21	6.66	28.53	35.19
27	466.68	6.27	29.17	35.44
28	437.51	5.88	29.81	35.69
29	407.70	5.48	30.45	35.93
30	377.25	5.07	31.09	36.16
31	346.16	4.65	31.73	36.38
32	314.43	4.23	32.37	36.60
33	282.06	3.79	33.01	36.80
34	249.05	3.35	33.65	37.00
35	215.40	2.89	34.29	37.18
36	181.11	2.43	34.94	37.37
37	146.17	1.96	35.58	37.54
38	110.59	1.49	36.22	37.71
39	74.37	1.00	36.86	37.86
40	37.51	.50	37.51	38.01
		$321.42	$1,000.00	$1,321.42

EXHIBIT D–4

REPAYMENT SCHEDULE IV - D
MONTHLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 4.48	$ 4.15	$ 8.63
2	995.85	4.46	4.22	8.68
3	991.63	4.44	4.29	8.73
4	987.34	4.42	4.36	8.78
5	982.98	4.40	4.43	8.83
6	978.55	4.38	4.50	8.88
7	974.05	4.36	4.57	8.93
8	969.48	4.34	4.64	8.98
9	964.84	4.32	4.71	9.03
10	960.13	4.30	4.78	9.08
11	955.35	4.28	4.85	9.13
12	950.50	4.26	4.92	9.18
13	945.58	4.24	4.99	9.23
14	940.59	4.21	5.06	9.27
15	935.53	4.19	5.13	9.32
16	930.40	4.17	5.20	9.37
17	925.20	4.14	5.27	9.41
18	919.93	4.12	5.35	9.47
19	914.58	4.10	5.42	9.52
20	909.16	4.07	5.49	9.56
21	903.67	4.05	5.56	9.61
22	898.11	4.02	5.63	9.65
23	892.48	4.00	5.70	9.70
24	886.78	3.97	5.77	9.74
25	881.01	3.95	5.84	9.79
26	875.17	3.92	5.91	9.83
27	869.26	3.89	5.98	9.87
28	863.28	3.87	6.05	9.92
29	857.23	3.84	6.12	9.96
30	851.11	3.81	6.19	10.00
31	844.92	3.79	6.26	10.05
32	838.66	3.76	6.33	10.09
33	832.33	3.73	6.40	10.13
34	825.93	3.70	6.47	10.17
35	819.46	3.67	6.54	10.21
36	812.92	3.64	6.61	10.25

EXHIBIT D–4

REPAYMENT SCHEDULE IV - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
37	806.31	3.61	6.68	10.29
38	799.63	3.58	6.75	10.33
39	792.88	3.55	6.82	10.37
40	786.06	3.52	6.89	10.41
41	779.17	3.49	6.96	10.45
42	772.21	3.46	7.03	10.49
43	765.18	3.43	7.10	10.53
44	758.08	3.40	7.17	10.57
45	750.91	3.36	7.24	10.60
46	743.67	3.33	7.31	10.64
47	736.36	3.30	7.38	10.68
48	728.98	3.27	7.45	10.72
49	721.53	3.23	7.52	10.75
50	714.01	3.20	7.59	10.79
51	706.42	3.16	7.67	10.83
52	698.75	3.13	7.74	10.87
53	691.01	3.10	7.81	10.91
54	683.20	3.06	7.88	10.94
55	675.32	3.03	7.95	10.98
56	667.37	2.99	8.02	11.01
57	659.35	2.95	8.09	11.04
58	651.26	2.92	8.16	11.08
59	643.10	2.88	8.23	11.11
60	634.87	2.84	8.30	11.14
61	626.57	2.81	8.37	11.18
62	618.20	2.77	8.44	11.21
63	609.76	2.73	8.51	11.24
64	601.25	2.69	8.58	11.27
65	592.67	2.66	8.65	11.31
66	584.02	2.62	8.72	11.34
67	575.30	2.58	8.79	11.37
68	566.51	2.54	8.86	11.40
69	557.65	2.50	8.93	11.43
70	548.72	2.46	9.00	11.46
71	539.72	2.42	9.07	11.49
72	530.65	2.38	9.14	11.52
73	521.51	2.34	9.21	11.55
74	512.30	2.30	9.28	11.58
75	503.02	2.25	9.35	11.60
76	493.67	2.21	9.42	11.63
77	484.25	2.17	9.49	11.66
78	474.76	2.13	9.56	11.69
79	465.20	2.08	9.63	11.71

EXHIBIT D–4

REPAYMENT SCHEDULE IV - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
80	455.57	2.04	9.70	11.74
81	445.87	2.00	9.77	11.77
82	436.10	1.95	9.84	11.79
83	426.26	1.91	9.91	11.82
84	416.35	1.87	9.98	11.85
85	406.37	1.82	10.06	11.88
86	396.31	1.78	10.12	11.90
87	386.19	1.73	10.19	11.92
88	376.00	1.68	10.26	11.94
89	365.74	1.64	10.34	11.98
90	355.40	1.59	10.41	12.00
91	344.99	1.55	10.48	12.03
92	334.51	1.50	10.56	12.06
93	323.95	1.45	10.62	12.07
94	313.33	1.40	10.69	12.09
95	302.64	1.36	10.76	12.12
96	291.88	1.31	10.83	12.14
97	281.05	1.26	10.90	12.16
98	270.15	1.21	10.97	12.18
99	259.18	1.16	11.04	12.20
100	248.14	1.11	11.11	12.22
101	237.03	1.06	11.18	12.24
102	225.85	1.01	11.25	12.26
103	214.60	.96	11.32	12.28
104	203.28	.91	11.39	12.30
105	191.89	.86	11.46	12.32
106	180.43	.81	11.53	12.34
107	168.90	.76	11.60	12.36
108	157.30	.70	11.67	12.37
109	145.63	.65	11.74	12.39
110	133.89	.60	11.81	12.41
111	122.08	.55	11.88	12.43
112	110.20	.49	11.95	12.44
113	98.25	.44	12.02	12.46
114	86.23	.39	12.09	12.48
115	74.14	.33	12.16	12.49
116	61.98	.28	12.23	12.51
117	49.75	.22	12.30	12.52
118	37.45	.17	12.38	12.55
119	25.07	.11	12.45	12.56
120	12.62	.06	12.62	12.68
		$316.40	$1,000.00	$1,316.40

EXHIBIT D–4

PLAN V – GRADUATED PAYMENT ON PRINCIPAL AND INTEREST

Repayment of $1,000 Over Ten Years

Interest Rate - 5 3/8 Percent

REPAYMENT SCHEDULE V - A
ANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 53.75	$ 75.00	$ 128.75
2	925.00	49.72	80.56	130.28
3	844.44	45.39	86.11	131.50
4	758.33	40.76	91.67	132.43
5	666.66	35.83	97.22	133.05
6	569.44	30.61	102.78	133.39
7	466.66	25.08	108.33	133.41
8	358.33	19.26	113.89	133.15
9	244.44	13.14	119.44	132.58
10	125.00	6.72	125.00	131.72
		$320.26	$1,000.00	$1,320.26

EXHIBIT D–4

REPAYMENT SCHEDULE V - B
SEMIANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 26.88	$ 37.50	$ 64.38
2	962.50	25.87	38.82	64.69
3	923.68	24.83	40.13	64.96
4	883.55	23.75	41.45	65.20
5	842.10	22.64	42.76	65.40
6	799.34	21.49	44.08	65.57
7	755.26	20.30	45.39	65.69
8	709.87	19.08	46.71	65.79
9	663.16	17.83	48.03	65.86
10	615.13	16.53	49.34	65.87
11	565.79	15.21	50.66	65.87
12	515.13	13.85	51.97	65.82
13	463.16	12.45	53.29	65.74
14	409.87	11.02	54.60	65.62
15	355.27	9.55	55.92	65.47
16	299.35	8.05	57.24	65.29
17	242.11	6.51	58.55	65.06
18	183.56	4.93	59.87	64.80
19	123.69	3.32	61.18	64.50
20	62.51	1.68	62.51	64.19
		$305.77	$1,000.00	$1,305.77

EXHIBIT D–4

REPAYMENT SCHEDULE V - C
QUARTERLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 13.44	$ 18.75	$ 32.19
2	981.25	13.19	19.07	32.26
3	962.18	12.93	19.39	32.32
4	942.79	12.67	19.71	32.38
5	923.08	12.41	20.03	32.44
6	903.05	12.14	20.35	32.49
7	882.70	11.86	20.67	32.53
8	862.03	11.59	20.99	32.58
9	841.04	11.30	21.31	32.61
10	819.73	11.02	21.63	32.65
11	798.10	10.73	21.96	32.69
12	776.14	10.43	22.28	32.71
13	753.86	10.13	22.60	32.73
14	731.26	9.83	22.92	32.75
15	708.34	9.52	23.24	32.76
16	685.10	9.21	23.56	32.77
17	661.54	8.89	23.88	32.77
18	637.66	8.57	24.20	32.77
19	613.46	8.24	24.52	32.76
20	588.94	7.92	24.84	32.76
21	564.10	7.58	25.16	32.74
22	538.94	7.24	25.48	32.72
23	513.46	6.90	25.80	32.70
24	487.66	6.55	26.12	32.67
25	461.54	6.20	26.44	32.64
26	435.10	5.85	26.76	32.61
27	408.34	5.49	27.08	32.57
28	381.26	5.12	27.40	32.52
29	353.86	4.76	27.72	32.48
30	326.14	4.38	28.04	32.42
31	298.10	4.01	28.37	32.38
32	269.73	3.63	28.69	32.32
33	241.04	3.24	29.01	32.25
34	212.03	2.85	29.33	32.18
35	182.70	2.46	29.65	32.11
36	153.05	2.06	29.97	32.03
37	123.08	1.65	30.29	31.94
38	92.79	1.25	30.61	31.86
39	62.18	.84	30.93	31.77
40	31.25	.42	31.25	31.67
		$298.50	$1,000.00	$1,298.50

EXHIBIT D–4

REPAYMENT SCHEDULE V - D
MONTHLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 4.48	$ 6.25	$ 10.73
2	993.75	4.45	6.29	10.74
3	987.46	4.42	6.32	10.74
4	981.14	4.40	6.35	10.75
5	974.79	4.37	6.39	10.76
6	968.40	4.34	6.43	10.77
7	961.97	4.31	6.46	10.77
8	955.51	4.28	6.49	10.77
9	949.02	4.25	6.53	10.78
10	942.49	4.22	6.57	10.79
11	935.92	4.19	6.60	10.79
12	929.32	4.16	6.63	10.79
13	922.69	4.13	6.67	10.80
14	916.02	4.10	6.71	10.81
15	909.31	4.07	6.74	10.81
16	902.57	4.04	6.77	10.81
17	895.80	4.01	6.81	10.82
18	888.99	3.98	6.85	10.83
19	882.14	3.95	6.88	10.83
20	875.26	3.92	6.91	10.83
21	868.35	3.89	6.95	10.84
22	861.40	3.86	6.99	10.85
23	854.41	3.83	7.02	10.85
24	847.39	3.80	7.05	10.85
25	840.34	3.76	7.09	10.85
26	833.25	3.73	7.13	10.86
27	826.12	3.70	7.16	10.86
28	818.96	3.67	7.19	10.86
29	811.77	3.64	7.23	10.87
30	804.54	3.60	7.27	10.87
31	797.27	3.57	7.30	10.87
32	789.97	3.54	7.33	10.87
33	782.64	3.51	7.37	10.88
34	775.27	3.47	7.41	10.88
35	767.86	3.44	7.44	10.88
36	760.42	3.41	7.47	10.88

EXHIBIT D–4 **EXHIBIT D–4**

REPAYMENT SCHEDULE V - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
37	752.95	3.37	7.51	10.88
38	745.44	3.34	7.55	10.89
39	737.89	3.31	7.58	10.89
40	730.31	3.27	7.61	10.88
41	722.70	3.24	7.65	10.89
42	715.05	3.20	7.69	10.89
43	707.36	3.17	7.72	10.89
44	699.64	3.13	7.75	10.88
45	691.89	3.10	7.79	10.89
46	684.10	3.06	7.83	10.89
47	676.27	3.03	7.86	10.89
48	668.41	2.99	7.89	10.88
49	660.52	2.96	7.93	10.89
50	652.59	2.92	7.97	10.89
51	644.62	2.89	8.00	10.89
52	636.62	2.85	8.03	10.88
53	628.59	2.82	8.07	10.89
54	620.52	2.78	8.11	10.89
55	612.41	2.74	8.14	10.88
56	604.27	2.71	8.17	10.88
57	596.10	2.67	8.21	10.88
58	587.89	2.63	8.25	10.88
59	579.64	2.60	8.28	10.88
60	571.36	2.56	8.31	10.87
61	563.05	2.52	8.35	10.87
62	554.70	2.49	8.39	10.88
63	546.31	2.45	8.42	10.87
64	537.89	2.41	8.45	10.86
65	529.44	2.37	8.49	10.86
66	520.95	2.33	8.53	10.86
67	512.42	2.30	8.56	10.86
68	503.86	2.26	8.59	10.85
69	495.27	2.22	8.63	10.85
70	486.64	2.18	8.67	10.85
71	477.97	2.14	8.70	10.84
72	469.27	2.10	8.73	10.83
73	460.54	2.06	8.77	10.83
74	451.77	2.02	8.81	10.83
75	442.96	1.98	8.84	10.82
76	434.12	1.94	8.87	10.81
77	425.25	1.91	8.91	10.82
78	416.34	1.87	8.95	10.82
79	407.39	1.83	8.98	10.81

EXHIBIT D–4

REPAYMENT SCHEDULE V - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
80	398.41	1.78	9.01	10.79
81	389.40	1.74	9.05	10.79
82	380.35	1.70	9.09	10.79
83	371.26	1.66	9.12	10.78
84	362.14	1.62	9.15	10.77
85	352.99	1.58	9.19	10.77
86	343.80	1.54	9.23	10.77
87	334.57	1.50	9.26	10.76
88	325.31	1.46	9.29	10.75
89	316.02	1.42	9.33	10.75
90	306.69	1.37	9.37	10.74
91	297.32	1.33	9.40	10.73
92	287.92	1.29	9.43	10.72
93	278.49	1.25	9.47	10.72
94	269.02	1.21	9.51	10.72
95	259.51	1.16	9.54	10.70
96	249.97	1.12	9.57	10.69
97	240.40	1.08	9.61	10.69
98	230.79	1.03	9.65	10.68
99	221.14	.99	9.68	10.67
100	211.46	.95	9.71	10.66
101	201.75	.90	9.75	10.65
102	192.00	.86	9.79	10.65
103	182.21	.82	9.82	10.64
104	172.39	.77	9.85	10.62
105	162.54	.73	9.89	10.62
106	152.65	.68	9.93	10.61
107	142.72	.64	9.96	10.60
108	132.76	.59	9.99	10.58
109	122.77	.55	10.03	10.58
110	112.74	.51	10.07	10.58
111	102.67	.46	10.10	10.56
112	92.57	.41	10.13	10.54
113	82.44	.37	10.17	10.54
114	72.27	.32	10.21	10.53
115	62.06	.28	10.24	10.52
116	51.82	.23	10.27	10.50
117	41.55	.19	10.31	10.50
118	31.24	.14	10.35	10.49
119	20.89	.09	10.38	10.47
120	10.51	.05	10.51	10.56
		$293.58	$1,000.00	$1,293.58

EXHIBIT D–5

PLAN I – EQUAL TOTAL PAYMENTS OF PRINCIPAL AND INTEREST

Repayment of $1,000 Over Ten Years

Interest Rate - 3 Percent

REPAYMENT SCHEDULE I - A
ANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 30.00	$ 87.50	$ 117.50
2	912.50	27.38	90.12	117.50
3	822.38	24.67	92.83	117.50
4	729.55	21.89	95.61	117.50
5	633.94	19.02	98.48	117.50
6	535.46	16.06	101.44	117.50
7	434.02	13.02	104.48	117.50
8	329.54	9.89	107.61	117.50
9	221.93	6.66	110.84	117.50
10	111.09	3.33	111.09	114.42
		$171.92	$1,000,00	$1,171.92

EXHIBIT D–5

REPAYMENT SCHEDULE I - B
SEMIANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 15.00	$ 43.25	$ 58.25
2	956.75	14.35	43.90	58.25
3	912.85	13.69	44.56	58.25
4	868.29	13.02	45.23	58.25
5	823.06	12.35	45.90	58.25
6	777.16	11.66	46.59	58.25
7	730.57	10.96	47.29	58.25
8	683.28	10.25	48.00	58.25
9	635.28	9.53	48.72	58.25
10	586.56	8.80	49.45	58.25
11	537.11	8.07	50.18	58.25
12	486.93	7.30	50.95	58.25
13	435.98	6.54	51.71	58.25
14	384.27	5.76	52.49	58.25
15	331.78	4.97	53.28	58.25
16	278.50	4.18	54.07	58.25
17	224.43	3.37	54.88	58.25
18	169.55	2.54	55.71	58.25
19	113.84	1.71	56.54	58.25
20	57.30	.86	57.30	58.16
		$164.91	$1,000.00	$1,164.91

EXHIBIT D–5

REPAYMENT SCHEDULE I - C
QUARTERLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 7.50	$ 21.50	$ 29.00
2	978.50	7.34	21.66	29.00
3	956.84	7.18	21.82	29.00
4	935.02	7.01	21.99	29.00
5	913.03	6.85	22.15	29.00
6	890.88	6.68	22.32	29.00
7	868.56	6.51	22.49	29.00
8	846.07	6.35	22.65	29.00
9	823.42	6.18	22.82	29.00
10	800.60	6.00	23.00	29.00
11	777.60	5.83	23.17	29.00
12	754.43	5.66	23.34	29.00
13	731.09	5.48	23.52	29.00
14	707.57	5.31	23.69	29.00
15	683.88	5.13	23.87	29.00
16	660.01	4.95	24.05	29.00
17	635.96	4.77	24.23	29.00
18	611.73	4.59	24.41	29.00
19	587.32	4.40	24.60	29.00
20	562.72	4.22	24.78	29.00
21	537.94	4.03	24.97	29.00
22	512.97	3.85	25.15	29.00
23	487.82	3.66	25.34	29.00
24	462.48	3.47	25.53	29.00
25	436.95	3.28	25.72	29.00
26	411.23	3.08	25.92	29.00
27	385.31	2.89	26.11	29.00
28	359.20	2.69	26.31	29.00
29	332.89	2.50	26.50	29.00
30	306.39	2.30	26.70	29.00
31	279.69	2.10	26.90	29.00
32	252.79	1.90	27.10	29.00
33	225.69	1.69	27.31	29.00
34	198.38	1.49	27.51	29.00
35	170.87	1.28	27.72	29.00
36	143.15	1.07	27.93	29.00
37	115.22	.86	28.14	29.00
38	87.08	.65	28.35	29.00
39	58.73	.44	28.56	29.00
40	30.17	.23	30.17	30.40
		$161.40	$1,000.00	$1,161.40

EXHIBIT D–5

REPAYMENT SCHEDULE I - D
MONTHLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 2.50	$ 7.15	$ 9.65
2	992.85	2.48	7.17	9.65
3	985.68	2.46	7.19	9.65
4	978.49	2.45	7.20	9.65
5	971.29	2.43	7.22	9.65
6	964.07	2.41	7.24	9.65
7	956.83	2.39	7.26	9.65
8	949.57	2.37	7.28	9.65
9	942.29	2.36	7.29	9.65
10	935.00	2.34	7.31	9.65
11	927.69	2.32	7.33	9.65
12	920.36	2.30	7.35	9.65
13	913.01	2.28	7.37	9.65
14	905.64	2.26	7.39	9.65
15	898.25	2.25	7.40	9.65
16	890.85	2.23	7.42	9.65
17	883.43	2.21	7.44	9.65
18	875.99	2.19	7.46	9.65
19	868.53	2.17	7.48	9.65
20	861.05	2.15	7.50	9.65
21	853.55	2.13	7.52	9.65
22	846.03	2.11	7.54	9.65
23	838.49	2.10	7.55	9.65
24	830.94	2.08	7.57	9.65
25	823.37	2.06	7.59	9.65
26	815.78	2.04	7.61	9.65
27	808.17	2.02	7.63	9.65
28	800.54	2.00	7.65	9.65
29	792.89	1.98	7.67	9.65
30	785.22	1.96	7.69	9.65
31	777.53	1.94	7.71	9.65
32	769.82	1.92	7.73	9.65
33	762.09	1.91	7.74	9.65
34	754.35	1.89	7.76	9.65
35	746.59	1.87	7.78	9.65
36	738.81	1.85	7.80	9.65
37	731.01	1.83	7.82	9.65
38	723.19	1.81	7.84	9.65
39	715.35	1.79	7.86	9.65
40	707.49	1.77	7.88	9.65
41	699.61	1.75	7.90	9.65

EXHIBIT D–5

REPAYMENT SCHEDULE I - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
42	691.71	1.73	7.92	9.65
43	683.79	1.71	7.94	9.65
44	675.85	1.69	7.96	9.65
45	667.89	1.67	7.98	9.65
46	659.91	1.65	8.00	9.65
47	651.91	1.63	8.02	9.65
48	643.89	1.61	8.04	9.65
49	635.85	1.59	8.06	9.65
50	627.79	1.57	8.08	9.65
51	619.71	1.55	8.10	9.65
52	611.61	1.53	8.12	9.65
53	603.49	1.51	8.14	9.65
54	595.35	1.49	8.16	9.65
55	587.19	1.47	8.18	9.65
56	579.01	1.45	8.20	9.65
57	570.81	1.43	8.22	9.65
58	562.59	1.41	8.24	9.65
59	554.35	1.39	8.26	9.65
60	546.09	1.37	8.28	9.65
61	537.81	1.34	8.31	9.65
62	529.50	1.32	8.33	9.65
63	521.17	1.30	8.35	9.65
64	512.82	1.28	8.37	9.65
65	504.45	1.26	8.39	9.65
66	496.06	1.24	8.41	9.65
67	487.65	1.22	8.43	9.65
68	479.22	1.20	8.45	9.65
69	470.77	1.18	8.47	9.65
70	462.30	1.16	8.49	9.65
71	453.81	1.14	8.51	9.65
72	445.30	1.12	8.53	9.65
73	436.77	1.10	8.55	9.65
74	428.22	1.07	8.58	9.65
75	419.64	1.05	8.60	9.65
76	411.04	1.03	8.62	9.65
77	402.42	1.01	8.64	9.65
78	393.78	.99	8.66	9.65
79	385.12	.97	8.68	9.65
80	376.44	.94	8.71	9.65
81	367.73	.92	8.73	9.65
82	359.00	.90	8.75	9.65
83	350.25	.88	8.77	9.65
84	341.48	.86	8.79	9.65

EXHIBIT D–5

REPAYMENT SCHEDULE I - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
85	332.69	.84	8.81	9.65
86	323.88	.81	8.84	9.65
87	315.04	.79	8.86	9.65
88	306.18	.77	8.88	9.65
89	297.30	.75	8.90	9.65
90	288.40	.73	8.92	9.65
91	279.48	.70	8.95	9.65
92	270.53	.68	8.97	9.65
93	261.56	.65	9.00	9.65
94	252.56	.63	9.02	9.65
95	243.54	.61	9.04	9.65
96	234.50	.59	9.06	9.65
97	225.44	.56	9.09	9.65
98	216.35	.54	9.11	9.65
99	207.24	.52	9.13	9.65
100	198.11	.50	9.15	9.65
101	188.96	.47	9.18	9.65
102	179.78	.45	9.20	9.65
103	170.58	.43	9.22	9.65
104	161.36	.40	9.25	9.65
105	152.11	.38	9.27	9.65
106	142.84	.36	9.29	9.65
107	133.55	.33	9.32	9.65
108	124.23	.31	9.34	9.65
109	114.89	.29	9.36	9.65
110	105.53	.26	9.39	9.65
111	96.14	.24	9.41	9.65
112	86.73	.22	9.43	9.65
113	77.30	.19	9.46	9.65
114	67.84	.17	9.48	9.65
115	58.36	.15	9.50	9.65
116	48.86	.12	9.53	9.65
117	39.33	.10	9.55	9.65
118	29.78	.07	9.58	9.65
119	20.20	.05	9.60	9.65
120	10.60	.03	10.60	10.63
		$158.98	$1,000.00	$1,158.98

PLAN II – EQUAL PAYMENTS ON PRINCIPAL AND INTEREST

Repayment of $1,000 Over Ten Years

Interest Rate - 3 Percent

REPAYMENT SCHEDULE II - A
ANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 30.00	$ 100.00	$ 130.00
2	900.00	27.00	100.00	127.00
3	800.00	24.00	100.00	124.00
4	700.00	21.00	100.00	121.00
5	600.00	18.00	100.00	118.00
6	500.00	15.00	100.00	115.00
7	400.00	12.00	100.00	112.00
8	300.00	9.00	100.00	109.00
9	200.00	6.00	100.00	106.00
10	100.00	3.00	100.00	103.00
		$165.00	$1,000.00	$1,165.00

EXHIBIT D–5

REPAYMENT SCHEDULE II - B
SEMIANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 15.00	$ 50.00	$ 65.00
2	950.00	14.25	50.00	64.25
3	900.00	13.50	50.00	63.50
4	850.00	12.75	50.00	62.75
5	800.00	12.00	50.00	62.00
6	750.00	11.25	50.00	61.25
7	700.00	10.50	50.00	60.50
8	650.00	9.75	50.00	59.75
9	600.00	9.00	50.00	59.00
10	550.00	8.25	50.00	58.25
11	500.00	7.50	50.00	57.50
12	450.00	6.75	50.00	56.75
13	400.00	6.00	50.00	56.00
14	350.00	5.25	50.00	55.25
15	300.00	4.50	50.00	54.50
16	250.00	3.75	50.00	53.75
17	200.00	3.00	50.00	53.00
18	150.00	2.25	50.00	52.25
19	100.00	1.50	50.00	51.50
20	50.00	.75	50.00	50.75
		$157.50	$1,000.00	$1,157.50

EXHIBIT D–5

REPAYMENT SCHEDULE II - C
QUARTERLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 7.50	$ 25.00	$ 32.50
2	975.00	7.31	25.00	32.31
3	950.00	7.13	25.00	32.13
4	925.00	6.94	25.00	31.94
5	900.00	6.75	25.00	31.75
6	875.00	6.56	25.00	31.56
7	850.00	6.38	25.00	31.38
8	825.00	6.19	25.00	31.19
9	800.00	6.00	25.00	31.00
10	775.00	5.81	25.00	30.81
11	750.00	5.63	25.00	30.63
12	725.00	5.44	25.00	30.44
13	700.00	5.25	25.00	30.25
14	675.00	5.06	25.00	30.06
15	650.00	4.88	25.00	29.88
16	625.00	4.69	25.00	29.69
17	600.00	4.50	25.00	29.50
18	575.00	4.31	25.00	29.31
19	550.00	4.13	25.00	29.13
20	525.00	3.94	25.00	28.94
21	500.00	3.75	25.00	28.75
22	475.00	3.56	25.00	28.56
23	450.00	3.38	25.00	28.38
24	425.00	3.19	25.00	28.19
25	400.00	3.00	25.00	28.00
26	375.00	2.81	25.00	27.81
27	350.00	2.63	25.00	27.63
28	325.00	2.44	25.00	27.44
29	300.00	2.25	25.00	27.25
30	275.00	2.06	25.00	27.06
31	250.00	1.88	25.00	26.88
32	225.00	1.69	25.00	26.69
33	200.00	1.50	25.00	26.50
34	175.00	1.31	25.00	26.31
35	150.00	1.13	25.00	26.13
36	125.00	.94	25.00	25.94
37	100.00	.75	25.00	25.75
38	75.00	.56	25.00	25.56
39	50.00	.38	25.00	25.38
40	25.00	.19	25.00	25.19
		$153.80	$1,000.00	$1,153.80

EXHIBIT D–5

REPAYMENT SCHEDULE II - D
MONTHLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 2.50	$ 8.33	$ 10.83
2	991.67	2.48	8.33	10.81
3	983.34	2.46	8.33	10.79
4	975.01	2.44	8.33	10.77
5	966.68	2.42	8.33	10.75
6	958.35	2.40	8.33	10.73
7	950.02	2.38	8.33	10.71
8	941.69	2.35	8.33	10.68
9	933.36	2.33	8.33	10.66
10	925.03	2.31	8.33	10.64
11	916.70	2.29	8.33	10.62
12	908.37	2.27	8.33	10.60
13	900.04	2.25	8.33	10.58
14	891.71	2.23	8.33	10.56
15	883.38	2.21	8.33	10.54
16	875.05	2.19	8.33	10.52
17	866.72	2.17	8.33	10.50
18	858.39	2.15	8.33	10.48
19	850.06	2.13	8.33	10.46
20	841.73	2.10	8.33	10.43
21	833.40	2.08	8.33	10.41
22	825.07	2.06	8.33	10.39
23	816.74	2.04	8.33	10.37
24	808.41	2.02	8.33	10.35
25	800.08	2.00	8.33	10.33
26	791.75	1.98	8.33	10.31
27	783.42	1.96	8.33	10.29
28	775.09	1.94	8.33	10.27
29	766.76	1.92	8.33	10.25
30	758.43	1.90	8.33	10.23
31	750.10	1.88	8.33	10.21
32	741.77	1.85	8.33	10.18
33	733.44	1.83	8.33	10.16
34	725.11	1.81	8.33	10.14
35	716.78	1.79	8.33	10.12
36	708.45	1.77	8.33	10.10
37	700.12	1.75	8.33	10.08
38	691.79	1.73	8.33	10.06
39	683.46	1.71	8.33	10.04
40	675.13	1.69	8.33	10.02
41	666.80	1.67	8.33	10.00

EXHIBIT D–5

REPAYMENT SCHEDULE II - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
42	658.47	1.65	8.33	9.98
43	650.14	1.63	8.33	9.96
44	641.81	1.60	8.33	9.93
45	633.48	1.58	8.33	9.91
46	625.15	1.56	8.33	9.89
47	616.82	1.54	8.33	9.87
48	608.49	1.52	8.33	9.85
49	600.16	1.50	8.33	9.83
50	591.83	1.48	8.33	9.81
51	583.50	1.46	8.33	9.79
52	575.17	1.44	8.33	9.77
53	566.84	1.42	8.33	9.75
54	558.51	1.40	8.33	9.73
55	550.18	1.38	8.33	9.71
56	541.85	1.35	8.33	9.68
57	533.52	1.33	8.33	9.66
58	525.19	1.31	8.33	9.64
59	516.86	1.29	8.33	9.62
60	508.53	1.27	8.33	9.60
61	500.20	1.25	8.33	9.58
62	491.87	1.23	8.33	9.56
63	483.54	1.21	8.33	9.54
64	475.21	1.19	8.33	9.52
65	466.88	1.17	8.33	9.50
66	458.55	1.15	8.33	9.48
67	450.22	1.13	8.33	9.46
68	441.89	1.10	8.33	9.43
69	433.56	1.08	8.33	9.41
70	425.23	1.06	8.33	9.39
71	416.90	1.04	8.33	9.37
72	408.57	1.02	8.33	9.35
73	400.24	1.00	8.33	9.33
74	391.91	.98	8.33	9.31
75	383.58	.96	8.33	9.29
76	375.25	.94	8.33	9.27
77	366.92	.92	8.33	9.25
78	358.59	.90	8.33	9.23
79	350.26	.88	8.33	9.21
80	341.93	.85	8.33	9.18
81	333.60	.83	8.33	9.16
82	325.27	.81	8.33	9.14
83	316.94	.79	8.33	9.12
84	308.61	.77	8.33	9.10

EXHIBIT D–5

REPAYMENT SCHEDULE II - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
85	300.28	.75	8.33	9.08
86	291.95	.73	8.33	9.06
87	283.62	.71	8.33	9.04
88	275.29	.69	8.33	9.02
89	266.96	.67	8.33	9.00
90	258.63	.65	8.33	8.98
91	250.30	.63	8.33	8.96
92	241.97	.60	8.33	8.93
93	233.64	.58	8.33	8.91
94	225.31	.56	8.33	8.89
95	216.98	.54	8.33	8.87
96	208.65	.52	8.33	8.85
97	200.32	.50	8.33	8.83
98	191.99	.48	8.33	8.81
99	183.66	.46	8.33	8.79
100	175.33	.44	8.33	8.77
101	167.00	.42	8.33	8.75
102	158.67	.40	8.33	8.73
103	150.34	.38	8.33	8.71
104	142.01	.36	8.33	8.69
105	133.68	.33	8.33	8.66
106	125.35	.31	8.33	8.64
107	117.02	.29	8.33	8.62
108	108.69	.27	8.33	8.60
109	100.36	.25	8.33	8.58
110	92.03	.23	8.33	8.56
111	83.70	.21	8.33	8.54
112	75.37	.19	8.33	8.52
113	67.04	.17	8.33	8.50
114	58.71	.15	8.33	8.48
115	50.38	.13	8.33	8.46
116	42.05	.11	8.33	8.44
117	33.72	.08	8.33	8.41
118	25.39	.06	8.33	8.39
119	17.06	.04	8.33	8.37
120	8.73	.02	8.73	8.75
		$151.32	$1,000.00	$1,151.32

EXHIBIT D–5

PLAN III – GRADUATED PAYMENTS ON PRINCIPAL AND INTEREST

Repayment of $1,000 Over Ten Years

Interest Rate - 3 Percent

REPAYMENT SCHEDULE III - A
ANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 30.00	$ 25.00	$ 55.00
2	975.00	29.25	41.67	70.92
3	933.33	28.00	58.33	86.33
4	875.00	26.25	75.00	101.25
5	800.00	24.00	91.66	115.66
6	708.34	21.25	108.33	129.58
7	600.01	18.00	125.00	143.00
8	475.01	14.25	141.66	155.91
9	333.35	10.00	158.33	168.33
10	175.02	5.25	175.02	180.27
		$206.25	$1,000.00	$1,206.25

EXHIBIT D–5

REPAYMENT SCHEDULE III - B
SEMIANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 15.00	$ 12.50	$ 27.50
2	987.50	14.81	16.45	31.26
3	971.05	14.57	20.39	34.96
4	950.66	14.26	24.34	38.60
5	926.32	13.89	28.29	42.18
6	898.03	13.47	32.24	45.71
7	865.79	12.99	36.18	49.17
8	829.61	12.44	40.13	52.57
9	789.48	11.84	44.08	55.92
10	745.40	11.18	48.03	59.21
11	697.37	10.46	51.97	62.43
12	645.40	9.68	55.92	65.60
13	589.48	8.84	59.88	68.72
14	529.60	7.94	63.81	71.75
15	465.79	6.99	67.76	74.75
16	398.03	5.97	71.71	77.68
17	326.32	4.89	75.66	80.55
18	250.66	3.76	79.60	83.36
19	171.06	2.57	83.55	86.12
20	87.51	1.31	87.51	88.82
		$196.86	$1,000.00	$1,196.86

EXHIBIT D–5

REPAYMENT SCHEDULE III - C
QUARTERLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 7.50	$ 6.25	$ 13.75
2	993.75	7.45	7.21	14.66
3	986.54	7.40	8.17	15.57
4	978.37	7.34	9.13	16.47
5	969.24	7.27	10.10	17.37
6	959.14	7.19	11.06	18.25
7	948.08	7.11	12.02	19.13
8	936.06	7.02	12.98	20.00
9	923.08	6.92	13.94	20.86
10	909.14	6.82	14.90	21.72
11	894.24	6.71	15.87	22.58
12	878.37	6.59	16.83	23.42
13	861.54	6.46	17.79	24.25
14	843.75	6.33	18.75	25.08
15	825.00	6.19	19.71	25.90
16	805.29	6.04	20.67	26.71
17	784.62	5.88	21.63	27.51
18	762.99	5.72	22.60	28.32
19	740.39	5.55	23.56	29.11
20	716.83	5.38	24.52	29.90
21	692.31	5.19	25.48	30.67
22	666.83	5.00	26.44	31.44
23	640.39	4.80	27.40	32.20
24	612.99	4.60	28.36	32.96
25	584.63	4.38	29.33	33.71
26	555.30	4.16	30.29	34.45
27	525.01	3.94	31.25	35.19
28	493.76	3.70	32.21	35.91
29	461.55	3.46	33.17	36.63
30	428.38	3.21	34.13	37.34
31	394.25	2.96	35.10	38.06
32	359.15	2.69	36.06	38.75
33	323.09	2.42	37.02	39.44
34	286.07	2.15	37.98	40.13
35	248.09	1.86	38.94	40.80
36	209.15	1.57	39.90	41.47
37	169.25	1.27	40.86	42.13
38	128.39	.96	41.83	42.79
39	86.56	.65	42.79	43.44
40	43.77	.33	43.77	44.10
		$192.17	$1,000.00	$1,192.17

EXHIBIT D–5

REPAYMENT SCHEDULE III - D
MONTHLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 2.50	$ 2.05	$ 4.55
2	997.95	2.49	2.16	4.65
3	995.79	2.49	2.26	4.75
4	993.53	2.48	2.37	4.85
5	991.16	2.48	2.47	4.95
6	988.69	2.47	2.58	5.05
7	986.11	2.47	2.68	5.15
8	983.43	2.46	2.79	5.25
9	980.64	2.45	2.89	5.34
10	977.75	2.44	3.00	5.44
11	974.75	2.44	3.11	5.55
12	971.64	2.43	3.21	5.64
13	968.43	2.42	3.32	5.74
14	965.11	2.41	3.42	5.83
15	961.69	2.40	3.53	5.93
16	958.16	2.40	3.63	6.03
17	954.53	2.39	3.74	6.13
18	950.79	2.38	3.85	6.23
19	946.94	2.37	3.95	6.32
20	942.99	2.36	4.06	6.42
21	938.93	2.35	4.16	6.51
22	934.77	2.34	4.27	6.61
23	930.50	2.33	4.37	6.70
24	926.13	2.32	4.48	6.80
25	921.65	2.30	4.58	6.88
26	917.07	2.29	4.69	6.98
27	912.38	2.28	4.80	7.08
28	907.58	2.27	4.90	7.17
29	902.68	2.26	5.01	7.27
30	897.67	2.24	5.11	7.35
31	892.56	2.23	5.22	7.45
32	887.34	2.22	5.32	7.54
33	882.02	2.21	5.43	7.64
34	876.59	2.19	5.53	7.72
35	871.06	2.18	5.64	7.82
36	865.42	2.16	5.75	7.91
37	859.67	2.15	5.85	8.00
38	853.82	2.13	5.96	8.09
39	847.86	2.12	6.06	8.18
40	841.80	2.10	6.17	8.27
41	835.63	2.09	6.27	8.36

REPAYMENT SCHEDULE III - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
42	829.36	2.07	6.38	8.45
43	822.98	2.06	6.49	8.55
44	816.49	2.04	6.59	8.63
45	809.90	2.02	6.70	8.72
46	803.20	2.01	6.80	8.81
47	796.40	1.99	6.91	8.90
48	789.49	1.97	7.01	8.98
49	782.48	1.96	7.12	9.08
50	775.36	1.94	7.22	9.16
51	768.14	1.92	7.33	9.25
52	760.81	1.90	7.44	9.34
53	753.37	1.88	7.54	9.42
54	745.83	1.86	7.65	9.51
55	738.18	1.85	7.75	9.60
56	730.43	1.83	7.86	9.69
57	722.57	1.81	7.96	9.77
58	714.61	1.79	8.07	9.86
59	706.54	1.77	8.17	9.94
60	698.37	1.75	8.28	10.03
61	690.09	1.73	8.39	10.12
62	681.70	1.70	8.49	10.19
63	673.21	1.68	8.60	10.28
64	664.61	1.66	8.70	10.36
65	655.91	1.64	8.81	10.45
66	647.10	1.62	8.91	10.53
67	638.19	1.60	9.02	10.62
68	629.17	1.57	9.13	10.70
69	620.04	1.55	9.23	10.78
70	610.81	1.53	9.34	10.87
71	601.47	1.50	9.44	10.94
72	592.03	1.48	9.55	11.03
73	582.48	1.46	9.65	11.11
74	572.83	1.43	9.76	11.19
75	563.07	1.41	9.86	11.27
76	553.21	1.38	9.97	11.35
77	543.24	1.36	10.08	11.44
78	533.16	1.33	10.18	11.51
79	522.98	1.31	10.28	11.59
80	512.70	1.28	10.39	11.67
81	502.31	1.26	10.50	11.76
82	491.81	1.23	10.60	11.83
83	481.21	1.20	10.71	11.91
84	470.50	1.18	10.81	11.99

EXHIBIT D–5

REPAYMENT SCHEDULE III - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
85	459.69	1.15	10.92	12.07
86	448.77	1.12	11.03	12.15
87	437.74	1.09	11.13	12.22
88	426.61	1.07	11.24	12.31
89	415.37	1.04	11.34	12.38
90	404.03	1.01	11.45	12.46
91	392.58	.98	11.55	12.53
92	381.03	.95	11.66	12.61
93	369.37	.92	11.77	12.69
94	357.60	.89	11.87	12.76
95	345.73	.86	11.98	12.84
96	333.75	.83	12.08	12.91
97	321.67	.80	12.19	12.99
98	309.48	.77	12.29	13.06
99	297.19	.74	12.40	13.14
100	284.79	.71	12.50	13 21
101	272.29	.68	12.61	13.29
102	259.68	.65	12.72	13.37
103	246.96	.62	12.82	13.44
104	234.14	.59	12.93	13.52
105	221 21	.55	13.03	13.58
106	208.18	.52	13.14	13.66
107	195.04	.49	13.24	13.73
108	181.80	.45	13.35	13.80
109	168.45	.42	13.45	13.87
110	155.00	.39	13.56	13.95
111	141.44	.35	13.67	14.02
112	127.77	.32	13.77	14.09
113	114.00	.29	13.88	14.17
114	100.12	.25	13.98	14.23
115	86.14	.22	14.09	14.31
116	72.05	.18	14.19	14.37
117	57.86	.14	14.30	14.44
118	43.56	.11	14.41	14.52
119	29.15	.07	14.51	14.58
120	14.64	.04	14.64	14.68
		$189.26	$1,000.00	$1,189.26

EXHIBIT D–5

PLAN IV – GRADUATED PAYMENTS ON PRINCIPAL AND INTEREST

Repayment of $1,000 Over Ten Years

Interest Rate - 3 Percent

REPAYMENT SCHEDULE IV - A
ANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 30.00	$ 50.00	$ 80.00
2	950.00	28.50	61.11	89.61
3	888.89	26.67	72.22	98.89
4	816.67	24.50	83.33	107.83
5	733.34	22.00	94.44	116.44
6	638.90	19.17	105.55	124.72
7	533.35	16.00	116.67	132.67
8	416.68	12.50	127.78	140.28
9	288.90	8.67	138.89	147.56
10	150.01	4.50	150.01	154.51
		$192.51	$1,000.00	$1,192.51

EXHIBIT D–5

REPAYMENT SCHEDULE IV - B
SEMIANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 15.00	$ 25.00	$ 40.00
2	975.00	14.63	27.63	42.26
3	947.37	14.21	30.26	44.47
4	917.11	13.76	32.89	46.65
5	884.22	13.26	35.53	48.79
6	848.69	12.73	38.16	50.89
7	810.53	12.16	40.79	52.95
8	769.74	11.55	43.42	54.97
9	726.32	10.89	46.05	56.94
10	680.27	10.20	48.68	58.88
11	631.59	9.47	51.32	60.79
12	580.27	8.70	53.95	62.65
13	526.32	7.89	56.58	64.47
14	469.74	7.05	59.21	66.26
15	410.53	6.16	61.84	68.00
16	348.69	5.23	64.47	69.70
17	284.22	4.26	67.10	71.36
18	217.12	3.26	69.74	73.00
19	147.38	2.21	72.37	74.58
20	75.01	1.13	75.01	76.14
		$183.75	$1,000.00	$1,183.75

EXHIBIT D–5

REPAYMENT SCHEDULE IV - C
QUARTERLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 7.50	$ 12.50	$ 20.00
2	987.50	7.41	13.14	20.55
3	974.36	7.31	13.78	21.09
4	960.58	7.20	14.42	21.62
5	946.16	7.10	15.06	22.16
6	931.10	6.98	15.71	22.69
7	915.39	6.87	16.35	23.22
8	899.04	6.74	16.99	23.73
9	882.05	6.62	17.63	24.25
10	864.42	6.48	18.26	24.74
11	864.16	6.35	18.91	25.26
12	827.25	6.20	19.55	25.75
13	807.70	6.06	20.19	26.25
14	787.51	5.91	20.83	26.74
15	766.68	5.75	21.47	27.22
16	745.21	5.59	22.12	27.71
17	723.09	5.42	22.76	28.18
18	700.33	5.25	23.40	28.65
19	676.93	5.08	24.04	29.12
20	652.89	4.90	24.68	29.58
21	628.21	4.71	25.32	30.03
22	602.89	4.52	25.96	30.48
23	576.93	4.33	26.60	30.93
24	550.33	4.13	27.24	31.37
25	523.09	3.92	27.88	31.80
26	495.21	3.71	28.53	32.24
27	466.68	3.50	29.17	32.67
28	437.51	3.28	29.81	33.09
29	407.70	3.06	30.45	33.51
30	377.25	2.83	31.09	33.92
31	346.16	2.60	31.73	34.33
32	314.43	2.36	32.37	34.73
33	282.06	2.12	33.01	35.13
34	249.05	1.87	33.65	35.52
35	215.40	1.62	34.29	35.91
36	181.11	1.36	34.94	36.30
37	146.17	1.10	35.58	36.68
38	110.59	.83	36.22	37.05
39	74.37	.56	36.86	37.42
40	37.51	.28	37.51	37.79
		$179.41	$1,000.00	$1,179.41

EXHIBIT D–5

REPAYMENT SCHEDULE IV - D
MONTHLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	2.50	$ 4.15	$ 6.65
2	995.85	2.49	4.22	6.71
3	991.63	2.48	4.29	6.77
4	987.34	2.47	4.36	6.83
5	982.98	2.46	4.43	6.89
6	978.55	2.45	4.50	6.95
7	974.05	2.44	4.57	7.01
8	969.48	2.42	4.64	7.06
9	964.84	2.41	4.71	7.12
10	960.13	2.40	4.78	7.18
11	955.35	2.39	4.85	7.24
12	950.50	2.38	4.92	7.30
13	945.58	2.36	4.99	7.35
14	940.59	2.35	5.06	7.41
15	935.53	2.34	5.13	7.47
16	930.40	2.33	5.20	7.53
17	925.20	2.31	5.27	7.58
18	919.93	2.30	5.35	7.65
19	914.58	2.29	5.42	7.71
20	909.16	2.27	5.49	7.76
21	903.67	2.26	5.56	7.82
22	898.11	2.25	5.63	7.88
23	892.48	2.23	5.70	7.93
24	886.78	2.22	5.77	7.99
25	881.01	2.20	5.84	8.04
26	875.17	2.19	5.91	8.10
27	869.26	2.17	5.98	8.15
28	863.28	2.16	6.05	8.21
29	857.23	2.14	6.12	8.26
30	851.11	2.13	6.19	8.32
31	844.92	2.11	6.26	8.37
32	838.66	2.10	6.33	8.43
33	832.33	2.08	6.40	8.48
34	825.93	2.06	6.47	8.53
35	819.46	2.05	6.54	8.59
36	812.92	2.03	6.61	8.64
37	806.31	2.02	6.68	8.70
38	799.63	2.00	6.75	8.75
39	792.88	1.98	6.82	8.80
40	786.06	1.97	6.89	8.86

EXHIBIT D–5

REPAYMENT SCHEDULE IV - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
41	779.17	1.95	6.96	8.91
42	772.21	1.93	7.03	8.96
43	765.18	1.91	7.10	9.01
44	758.08	1.90	7.17	9.07
45	750.91	1.88	7.24	9.12
46	743.67	1.86	7.31	9.17
47	736.36	1.84	7.38	9.22
48	728.98	1.82	7.45	9.27
49	721.53	1.80	7.52	9.32
50	714.01	1.79	7.59	9.38
51	706.42	1.77	7.67	9.44
52	698.75	1.75	7.74	9.49
53	691.01	1.73	7.81	9.54
54	683.20	1.71	7.88	9.59
55	675.32	1.69	7.95	9.64
56	667.37	1.67	8.02	9.69
57	659.35	1.65	8.09	9.74
58	651.26	1.63	8.16	9.79
59	643.10	1.61	8.23	9.84
60	634.87	1.59	8.30	9.89
61	626.57	1.57	8.37	9.94
62	618.20	1.55	8.44	9.99
63	609.76	1.52	8.51	10.03
64	601.25	1.50	8.58	10.08
65	592.67	1.48	8.65	10.13
66	584.02	1.46	8.72	10.18
67	575.30	1.44	8.79	10.23
68	566.51	1.42	8.86	10.28
69	557.65	1.39	8.93	10.32
70	548.72	1.37	9.00	10.37
71	539.72	1.35	9.07	10.42
72	530.65	1.33	9.14	10.47
73	521.51	1.30	9.21	10.51
74	512.30	1.28	9.28	10.56
75	503.02	1.26	9.35	10.61
76	493.67	1.23	9.42	10.65
77	484.25	1.21	9.49	10.70
78	474.76	1.19	9.56	10.75
79	465.20	1.16	9.63	10.79
80	455.57	1.14	9.70	10.84
81	445.87	1.11	9.77	10.88
82	436.10	1.09	9.84	10.93
83	426.26	1.07	9.91	10.98
84	416.35	1.04	9.98	11.02

EXHIBIT D–5

REPAYMENT SCHEDULE IV - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
85	406.37	1.02	10.06	11.08
86	396.31	.99	10.12	11.11
87	386.19	.97	10.19	11.16
88	376.00	.94	10.26	11.20
89	365.74	.91	10.34	11.25
90	355.40	.89	10.41	11.30
91	344.99	.86	10.48	11.34
92	334.51	.84	10.56	11.40
93	323.95	.81	10.62	11.43
94	313.33	.78	10.69	11.47
95	302.64	.76	10.76	11.52
96	291.88	.73	10.83	11.56
97	281.05	.70	10.90	11.60
98	270.15	.68	10.97	11.65
99	259.18	.65	11.04	11.69
100	248.14	.62	11.11	11.73
101	237.03	.59	11.18	11.77
102	225.85	.56	11.25	11.81
103	214.60	.54	11.32	11.86
104	203.28	.51	11.39	11.90
105	191.89	.48	11.46	11.94
106	180.43	.45	11.53	11.98
107	168.90	.42	11.60	12.02
108	157.30	.39	11.67	12.06
109	145.63	.36	11.74	12.10
110	133.89	.33	11.81	12.14
111	122.08	.31	11.88	12.19
112	110.20	.28	11.95	12.23
113	98.25	.25	12.02	12.27
114	86.23	.22	12.09	12.31
115	74.14	.19	12.16	12.35
116	61.98	.15	12.23	12.38
117	49.75	.12	12.30	12.42
118	37.45	.09	12.38	12.47
119	25.07	.06	12.45	12.51
120	12.62	.03	12.62	12.65
		$176.61	$1,000.00	$1,176.61

EXHIBIT D–5

PLAN V – GRADUATED PAYMENT ON PRINCIPAL, PLUS INTEREST

Repayment of $1,000.00 Over Ten Years

Interest Rate - 3 Percent

REPAYMENT SCHEDULE V - A
ANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 30.00	$ 75.00	$ 105.00
2	925.00	27.75	80.56	108.31
3	844.44	25.33	86.11	111.44
4	758.33	22.75	91.67	114.42
5	666.66	20.00	97.22	117.22
6	569.44	17.08	102.78	119.86
7	466.66	14.00	108.33	122.33
8	358.33	10.75	113.89	124.64
9	244.44	7.33	119.44	126.77
10	125.00	3.75	125.00	128.75
		$178.74	$1,000.00	$1,178.74

EXHIBIT D–5

REPAYMENT SCHEDULE V - B
SEMIANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 15.00	$ 37.50	$ 52.50
2	962.50	14.44	38.82	53.26
3	923.68	13.86	40.13	53.99
4	883.55	13.25	41.45	54.70
5	842.10	12.63	42.76	55.39
6	799.34	12.00	44.08	56.08
7	755.26	11.33	45.39	56.72
8	709.87	10.65	46.71	57.36
9	663.16	9.95	48.03	57.98
10	615.13	9.23	49.34	58.57
11	565.79	8.49	50.66	59.15
12	515.13	7.73	51.97	59.70
13	463.16	6.95	53.29	60.24
14	409.87	6.15	54.60	60.75
15	355.27	5.33	55.92	61.25
16	299.35	4.49	57.24	61.73
17	242.11	3.63	58.55	62.18
18	183.56	2.75	59.87	62.62
19	123.69	1.86	61.18	63.04
20	62.51	.94	62.51	63.45
		$170.66	$1,000.00	$1,170.66

EXHIBIT D–5

REPAYMENT SCHEDULE V - C
QUARTERLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 7.50	$ 18.75	$ 26.25
2	981.25	7.36	19.07	26.43
3	962.18	7.22	19.39	26.61
4	942.79	7.07	19.71	26.78
5	923.08	6.92	20.03	26.95
6	903.05	6.77	20.35	27.12
7	882.70	6.62	20.67	27.29
8	862.03	6.47	20.99	27.46
9	841.04	6.31	21.31	27.62
10	819.73	6.15	21.63	27.78
11	798.10	5.99	21.96	27.95
12	776.14	5.82	22.28	28.10
13	753.86	5.65	22.60	28.25
14	731.26	5.48	22.92	28.40
15	708.34	5.31	23.24	28.55
16	685.10	5.14	23.56	28.70
17	661.54	4.96	23.88	28.84
18	637.66	4.78	24.20	28.98
19	613.46	4.60	24.52	29.12
20	588.94	4.42	24.84	29.26
21	564.10	4.23	25.16	29.39
22	538.94	4.04	25.48	29.52
23	513.46	3.85	25.80	29.65
24	487.66	3.66	26.12	29.78
25	461.54	3.46	26.44	29.90
26	435.10	3.26	26.76	30.02
27	408.34	3.06	27.08	30.14
28	381.26	2.86	27.40	30.26
29	353.86	2.65	27.72	30.37
30	326.14	2.45	28.04	30.49
31	298.10	2.24	28.37	30.61
32	269.73	2.02	28.69	30.71
33	241.04	1.81	29.01	30.82
34	212.03	1.59	29.33	30.92
35	182.70	1.37	29.65	31.02
36	153.05	1.15	29.97	31.12
37	123.08	.92	30.29	31.21
38	92.79	.70	30.61	31.31
39	62.18	.47	30.93	31.40
40	31.25	.23	31.25	31.48
		$166.56	$1,000.00	$1,166.56

EXHIBIT D–5

REPAYMENT SCHEDULE V - D
MONTHLY PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 2.50	$ 6.25	$ 8.75
2	993.75	2.48	6.29	8.77
3	987.46	2.47	6.32	8.79
4	981.14	2.45	6.35	8.80
5	974.79	2.44	6.39	8.83
6	968.40	2.42	6.43	8.85
7	961.97	2.40	6.46	8.86
8	955.51	2.39	6.49	8.88
9	949.02	2.37	6.53	8.90
10	942.49	2.36	6.57	8.93
11	935.92	2.34	6.60	8.94
12	929.32	2.32	6.63	8.95
13	922.69	2.31	6.67	8.98
14	916.02	2.29	6.71	9.00
15	909.31	2.27	6.74	9.01
16	902.57	2.26	6.77	9.03
17	895.80	2.24	6.81	9.05
18	888.99	2.22	6.85	9.07
19	882.14	2.21	6.88	9.09
20	875.26	2.19	6.91	9.10
21	868.35	2.17	6.95	9.12
22	861.40	2.15	6.99	9.14
23	854.41	2.14	7.02	9.16
24	847.39	2.12	7.05	9.17
25	840.34	2.10	7.09	9.19
26	833.25	2.08	7.13	9.21
27	826.12	2.07	7.16	9.23
28	818.96	2.05	7.19	9.24
29	811.77	2.03	7.23	9.26
30	804.54	2.01	7.27	9.28
31	797.27	1.99	7.30	9.29
32	789.97	1.97	7.33	9.30
33	782.64	1.96	7.37	9.33
34	775.27	1.94	7.41	9.35
35	767.86	1.92	7.44	9.36
36	760.42	1.90	7.47	9.37
37	752.95	1.88	7.51	9.39
38	745.44	1.86	7.55	9.41
39	737.89	1.84	7.58	9.42
40	730.31	1.83	7.61	9.44
41	722.70	1.81	7.65	9.46

EXHIBIT D–5

REPAYMENT SCHEDULE V - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
42	715.05	1.79	7.69	9.48
43	707.36	1.77	7.72	9.49
44	699.64	1.75	7.75	9.50
45	691.89	1.73	7.79	9.52
46	684.10	1.71	7.83	9.54
47	676.27	1.69	7.86	9.55
48	668.41	1.67	7.89	9.56
49	660.52	1.65	7.93	9.58
50	652.59	1.63	7.97	9.60
51	644.62	1.61	8.00	9.61
52	636.62	1.59	8.03	9.62
53	628.59	1.57	8.07	9.64
54	620.52	1.55	8.11	9.66
55	612.41	1.53	8.14	9.67
56	604.27	1.51	8.17	9.68
57	596.10	1.49	8.21	9.70
58	587.89	1.47	8.25	9.72
59	579.64	1.45	8.28	9.73
60	571.36	1.43	8.31	9.74
61	563.05	1.41	8.35	9.76
62	554.70	1.39	8.39	9.78
63	546.31	1.37	8.42	9.79
64	537.89	1.34	8.45	9.79
65	529.44	1.32	8.49	9.81
66	520.95	1.30	8.53	9.83
67	512.42	1.28	8.56	9.84
68	503.86	1.26	8.59	9.85
69	495.27	1.24	8.63	9.87
70	486.64	1.22	8.67	9.89
71	477.97	1.19	8.70	9.89
72	469.27	1.17	8.73	9.90
73	460.54	1.15	8.77	9.92
74	451.77	1.13	8.81	9.94
75	442.96	1.11	8.84	9.95
76	434.12	1.09	8.87	9.96
77	425.25	1.06	8.91	9.97
78	416.34	1.04	8.95	9.99
79	407.39	1.02	8.98	10.00
80	398.41	1.00	9.01	10.01
81	389.40	.97	9.05	10.02
82	380.35	.95	9.09	10.04
83	371.26	.93	9.12	10.05
84	362.14	.91	9.15	10.06

EXHIBIT D-5

REPAYMENT SCHEDULE V - D (Continued)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
85	352.99	.88	9.19	10.07
86	343.80	.86	9.23	10.09
87	334.57	.84	9.26	10.10
88	325.31	.81	9.29	10.10
89	316.02	.79	9.33	10.12
90	306.69	.77	9.37	10.14
91	297.32	.74	9.40	10.14
92	287.92	.72	9.43	10.15
93	278.49	.70	9.47	10.17
94	269.02	.67	9.51	10.18
95	259.51	.65	9.54	10.19
96	249.97	.62	9.57	10.19
97	240.40	.60	9.61	10.21
98	230.79	.58	9.65	10.23
99	221.14	.55	9.68	10.23
100	211.46	.53	9.71	10.24
101	201.75	.50	9.75	10.25
102	192.00	.48	9.79	10.27
103	182.21	.46	9.82	10.28
104	172.39	.43	9.85	10.28
105	162.54	.41	9.89	10.30
106	152.65	.38	9.93	10.31
107	142.72	.36	9.96	10.32
108	132.76	.33	9.99	10.32
109	122.77	.31	10.03	10.34
110	112.74	.28	10.07	10.35
111	102.67	.26	10.10	10.36
112	92.57	.23	10.13	10.36
113	82.44	.21	10.17	10.38
114	72.27	.18	10.21	10.39
115	62.06	.16	10.24	10.40
116	51.82	.13	10.27	10.40
117	41.55	.10	10.31	10.41
118	31.24	.08	10.35	10.43
119	20.89	.05	10.38	10.43
120	10.51	.03	10.51	10.54
		$163.87	$1,000.00	$1,163.87

EXHIBIT D–5

PLAN VI – EQUAL TOTAL PAYMENTS OF PRINCIPAL AND INTEREST

(Based On Monthly Minimum Payment Of $15.00)

Repayment of $1,000 Over Seven Years

Interest Rate - 3 Percent

REPAYMENT SCHEDULE VI - A
ANNUAL PAYMENTS

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 30.00	$ 150.00	$ 180.00
2	850.00	25.50	154.50	180.00
3	695.50	20.87	159.13	180.00
4	536.37	16.09	163.91	180.00
5	372.46	11.17	168.83	180.00
6	203.63	6.11	173.89	180.00
7	29.74	.89	29.74	30.63
		$110.63	$1,000.00	$1,110.63

EXHIBIT D–5

REPAYMENT SCHEDULE VI - B
SEMIANNUAL PAYMENTS (6½ YEARS)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 15.00	$ 75.00	$ 90.00
2	925.00	13.88	76.12	90.00
3	848.88	12.73	77.27	90.00
4	771.61	11.57	78.43	90.00
5	693.18	10.40	79.60	90.00
6	613.58	9.20	80.80	90.00
7	532.78	7.99	82.01	90.00
8	450.77	6.76	83.24	90.00
9	367.53	5.51	84.49	90.00
10	283.04	4.25	85.75	90.00
11	197.29	2.96	87.04	90.00
12	110.25	1.65	88.35	90.00
13	21.90	.33	21.90	22.23
		$102.23	$1,000.00	$1,102.23

EXHIBIT D–5

REPAYMENT SCHEDULE VI - C
QUARTERLY PAYMENTS (6¼ YEARS)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 7.50	$ 37.50	$ 45.00
2	962.50	7.22	37.78	45.00
3	924.72	6.94	38.06	45.00
4	886.66	6.65	38.35	45.00
5	848.31	6.36	38.64	45.00
6	809.67	6.07	38.93	45.00
7	770.74	5.78	39.22	45.00
8	731.52	5.49	39.51	45.00
9	692.01	5.19	39.81	45.00
10	652.20	4.89	40.11	45.00
11	612.09	4.59	40.41	45.00
12	571.68	4.29	40.71	45.00
13	530.97	3.98	41.02	45.00
14	489.95	3.67	41.33	45.00
15	448.62	3.36	41.64	45.00
16	406.98	3.05	41.95	45.00
17	365.03	2.74	42.26	45.00
18	322.77	2.42	42.58	45.00
19	280.19	2.10	42.90	45.00
20	237.29	1.78	43.22	45.00
21	194.07	1.46	43.54	45.00
22	150.53	1.13	43.87	45.00
23	106.66	.80	44.20	45.00
24	62.46	.47	44.53	45.00
25	17.93	.13	17.93	18.06
		$98.06	$1,000.00	$1,098.06

EXHIBIT D–5

REPAYMENT SCHEDULE VI - D
MONTHLY PAYMENTS (6 1/12 YEARS)

Payment No.	Loan Principal	Net Interest	Principal Payment	Total Payment
1	$1,000.00	$ 2.50	$ 12.50	$ 15.00
2	987.50	2.47	12.53	15.00
3	974.97	2.44	12.56	15.00
4	962.41	2.41	12.59	15.00
5	949.82	2.37	12.63	15.00
6	937.19	2.34	12.66	15.00
7	924.53	2.31	12.69	15.00
8	911.84	2.28	12.72	15.00
9	899.12	2.25	12.75	15.00
10	886.37	2.22	12.78	15.00
11	873.59	2.18	12.82	15.00
12	860.77	2.15	12.85	15.00
13	847.92	2.12	12.88	15.00
14	835.04	2.09	12.91	15.00
15	822.13	2.06	12.94	15.00
16	809.19	2.02	12.98	15.00
17	796.21	1.99	13.01	15.00
18	783.20	1.96	13.04	15.00
19	770.16	1.93	13.07	15.00
20	757.09	1.89	13.11	15.00
21	743.98	1.86	13.14	15.00
22	730.84	1.83	13.17	15.00
23	717.67	1.79	13.21	15.00
24	704.46	1.76	13.24	15.00
25	691.22	1.73	13.27	15.00
26	677.95	1.69	13.31	15.00
27	664.64	1.66	13.34	15.00
28	651.30	1.63	13.37	15.00
29	637.93	1.59	13.41	15.00
30	624.52	1.56	13.44	15.00
31	611.08	1.53	13.47	15.00
32	597.61	1.49	13.51	15.00
33	584.10	1.46	13.54	15.00
34	570.56	1.43	13.57	15.00
35	556.99	1.39	13.61	15.00
36	543.38	1.36	13.64	15.00

EXHIBIT D–5

REPAYMENT SCHEDULE V I - D (Continued)

Payment No,	Loan Principal	Net Interest	Principal Payment	Total Payment
37	529.74	1.32	13.68	15.00
38	516.06	1.29	13.71	15.00
39	502.35	1.26	13.74	15.00
40	488.61	1.22	13.78	15.00
41	474.83	1.19	13.81	15.00
42	461.02	1.15	13.85	15.00
43	447.17	1.12	13.88	15.00
44	433.29	1.08	13.92	15.00
45	419.37	1.05	13.95	15.00
46	405.42	1.01	13.99	15.00
47	391.43	.98	14.02	15.00
48	377.41	.94	14.06	15.00
49	363.35	.91	14.09	15.00
50	349.26	.87	14.13	15.00
51	335.13	.84	14.16	15.00
52	320.97	.80	14.20	15.00
53	306.77	.77	14.23	15.00
54	292.54	.73	14.27	15.00
55	278.27	.70	14.30	15.00
56	263.97	.66	14.34	15.00
57	249.63	.62	14.38	15.00
58	235.25	.59	14.41	15.00
59	220.84	.55	14.45	15.00
60	206.39	.52	14.48	15.00
61	191.91	.48	14.52	15.00
62	177.39	.44	14.56	15.00
63	162.83	.41	14.59	15.00
64	148.24	.37	14.63	15.00
65	133.61	.33	14.67	15.00
66	118.94	.30	14.70	15.00
67	104.24	.26	14.74	15.00
68	89.50	.22	14.78	15.00
69	74.72	.19	14.81	15.00
70	59.91	.15	14.85	15.00
71	45.06	.11	14.89	15.00
72	30.17	.08	14.92	15.00
73	15.25	.04	15.25	15.29
		$95.29	$1,000.00	$1,095.29

REPAYMENT SCHEDULE
FOR
CONVERSION TO SEPTEMBER 1 ANNIVERSARY DATE

EMPLOYMENT PRIOR TO 9/1/68
IN HOSPITAL DESIGNATED SHORTAGE HOSPITAL ON 9/1/68

Graduated	6/20/68	with $1,000.00 loan @ 4 3/4%
Started Work	7/01/68	in X Hospital
	9/01/68	X Hospital is rated in shortage area

Payment Date	Payment No.	Balance Outstanding	Principal Canceled	Principal Paid	Interest Canceled	Interest Paid	Total Payment
7/01/69	Grace Period	$1,000.00	$100.00	-0-	$-0-	-0-	$100.00
9/01/69	(10 mos. @ 5%)	900.00	41.66	-0-	-0-	-0-	41.66
	(2 mos. @ 15%)	858.34	25.00	-0-	6.79	-0-	31.79
9/01/70	2	833.34	150.00	-0-	39.58	-0-	189.58
9/01/71	3	683.34	150.00	-0-	32.46	-0-	182.46
9/01/72	4	533.34	150.00	-0-	25.33	-0-	175.33
9/01/73	5	383.34	150.00	-0-	18.21	-0-	168.21
9/01/74	6	233.34	150.00	-0-	11 08	-0-	161.08
9/01/75	7	83.34	83.34	-0-	3.96	-0-	87.30
			$1,000.00	-0-	$137.41	-0-	$1,137.41

SAMPLES OF LETTERS AND CHECK LISTS

Exhibit E–1	Exit Interview Check List
Exhibit E–2	Questionnaire
Exhibit E–3	Borrower Account Tracing Check Sheet
Exhibit E–4	Suggested Sample Letter No. 1
Exhibit E–5	Suggested Sample Letter No. 2
Exhibit E–6	Suggested Sample Letter No. 3
Exhibit E–7	Suggested Sample Letter No. 4
Exhibit E–8	Suggested Sample Letter No. 5
Exhibit E–9	Suggested Sample Letter No. 6

EXHIBIT E–1

EXIT INTERVIEW CHECK LIST

1. Does the student understand that the collection officer must be informed of any change in his address? . . . . Yes☐ No☐

2. Does the student know the full amount of the loan? . . . . Yes☐ No☐

3. Does the student know when the first payment is due and how much it is? . . . . . . Yes☐ No☐

4. Does the student realize the importance of paying promptly or contacting the collection officer prior to the due date if payment cannot be made for any reason? . . . . Yes☐ No☐

5. Does the student understand the deferment provisions and his responsibility to submit the *Certification of Student Status* form to the officer within 30 days of due date if he wishes to claim deferment status? . . . . Yes☐ No☐

6. Does the student understand the cancellation provisions and the responsibility to submit the *Request for Partial Cancellation of Loan* forms and the use of the *Request for Postponement of Installment Payment* forms? . . . . Yes☐ No☐

7. Does the student understand the accelerated payment option? . . . . Yes☐ No☐

8. Has the student been given a copy of his repayment schedule and *A Guide for repayment, deferment, and cancellation of Health Professions (or Nursing) Student Loans*? . Yes☐ No☐

9. What are the student's plans during the next 12 months?

263/264

EXHIBIT E–2

QUESTIONNAIRE

The following information should be obtained, if available, to make your record current:

1. Social Security No. ____________ District Office ____________

2. Driver's License: State ____________ Licence No. ____________

3. Insurance Data: Name of Co. ____________ Policy No. ____________

4. Selective Service Board: ____________

5. Home Bank: ____________

6. Nearest relative who will always know your address: ____________

7. Credit Cards: (Department Stores, Gasoline and Oil, etc.) ____________

8. Club and/or Fraternity or Sorority Membership: ____________

9. Church Affiliation: ____________

10. Professional Organization Memberships: ____________

11. Hospitalization: ____________

12. Close School Friends or Roommates: ____________

13. Professors or teachers with whom you are most likely to keep in touch ____________

____

14. Plans for next two years: ____________

____

____

Signature ____________ Date ____________
Borrower

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EXHIBIT E–3

BORROWER ACCOUNT TRACING CHECK SHEET

Date ________

Borrower's Full Name ______________________________

Social Security Number ______________________________

Last Known Temporary Address ______________________________

Last Known Permanent Address ______________________________

Most borrowers can be found quickly by making systematic tracing efforts. Brief notes should be kept on each new lead which is developed.

Date items checked
or rechecked

A. Office: Start on first indication that communications fail to reach borrower.

1. Was returned mail correctly addressed? ☐ (yes) ☐ (no) ________ ________
2. Check borrower's address with loan application, exit interview form, and previous correspondence. ________ ________
3. Did the Post Office furnish a new address? Any information? ☐ (yes) ☐ (no) ________ ________
4. Try Telephone Company Locator Service ________ ________
5. If co-endorser on note, contact him for borrower's address and remind co-endorser of his liability. ________ ________
6. Contact borrower's parents and/or spouse, if married. ________ ________
7. Contact last-known employer. ________ ________
8. Send letters to appropriate leads furnished on exit interview form. (Credit Cards, Insurance Companies, etc.) ________ ________

B. Campus:

1. Contact Dean's Office of school from which borrower graduated or withdrew. ________ ________

EXHIBIT E–3 (continued)

2. Contact Registrar's Office: It is assumed transcripts and all school services were stopped when account became past due.
    a. Write parents or guardian shown on admission application.
    b. Write references on admission application.
3. Contact Alumni Office.
4. Contact Placement Office.
5. Contact major department head or major instructor.

C. Off Campus:

1. Business contacts:
    a. Driver's license agencies.
    b. Selective Service Board or Armed Services.
    c. Merchants Retail Credit Association.
    d. Oil and gasoline credit card issuers.
    e. Charge-a-Plate issuers at last known address.
    f. Local bank in home community.
    g. Professional, graduate, and other schools to which transcripts have been sent.
2. Legal contacts:
    a. Chief of Police.
    b. Sheriff's Office.
    c. City Attorney or State Attorney General.

D. Professional Associations (as appropriate):

1. State Nurses' Association.
2. State Medical Associations.
3. State Licensing Bureaus.
4. National and State Education Associations.
5. National League of Nursing

EXHIBIT E–3 (continued)

E. Miscellaneous:

1. When did borrower leave last address? __________ __________
2. Try leading stores or businesses in original hometown. __________ __________
3. Check with other possible creditors. __________ __________
4. Church or Club Affiliations. __________ __________
5. Check litigation, prosecution and divorce records. __________ __________
6. If any real estate, check local tax assessor and tax collector. __________ __________
7. Check with previous employers. __________ __________
8. Check with insurance company or agent. __________ __________
9. Check with hometown investigation agencies. __________ __________

EXHIBIT E–4

SUGGESTED SAMPLE LETTER NO. 1

(To be sent approximately
30 to 60 days before end of "period of grace")

Date

Dear Mr. Doe:

Our records indicate that you have been out of full-time training for almost a year (or nine months for Nursing). We hope that you are well established in your chosen field and that everything is going well.

As you will recall, while a student, you obtained a loan from the Health Professions (or Nursing) Student Loan Fund. The loan was provided under the Health Professions (or Nursing) Student Loan Program, a cooperative program between this school and the Federal Government. Your loan was made up of monies contributed by the Federal Government and/or this school. The repayment schedule in your possession indicates that your grace period will soon expire.

If you are in full-time attendance at another health professions school (or another school of nursing) or are pursuing advanced professional training as indicated in *A Guide for repayment, deferment, and cancellation of Health Professions (or Nursing) Student Loans*, a copy of which was furnished to you at your exit interview, you must complete and forward tothis office a *Certification of Student Status* form in order to defer payment on your loan.

If you are practicing in a shortage area (or are employed full-time as a professional nurse) which may entitle you to cancellation benefits, you must complete and forward to this office a *Request for Partial Cancellation of Loan* form in order to have your loan canceled. If your payment is due before you have completed a full year of eligible practice (or employment), you should complete and forward to this office a *Request for Postponement of Installment Payment* form.

All such forms may be obtained from this office. Payments in the form of checks or money orders should be made out to the school and addressed to this office.

Sincerely,

Name of Office or Officer

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SUGGESTED SAMPLE LETTER No. 2

(To be sent approximately 15
to 30 days *before* due date of first required payment)

Date ____________

Dear Mr. Doe:

The *ABC College* was glad to make a Health Professions (or Nursing) Student Loan available to you while you were a student. We hope that you are successful in your vocation and have made plans to repay the loan in accordance with the repayment schedule provided you when you left the *school*.

It is expected that the schedule of payments and terms of the promissory note will serve as a reminder of the due dates and that you will forward the payments in compliance with the schedule without further notice. Prior to each anniversary date you should meet your obligation in one of the following ways:

1. Payments of principal and interest.
2. *Certification of Student Status* form.
3. *Request for Partial Cancellation of Loan* form.
4. *Request for Postponement of Installment Payment* form

(Instructions on the Repayment Schedule indicate when the forms listed above may be used.)

Your first payment of $____, including principal and interest, is due____.

We will expect payments when due as shown on your repayment schedule. Best wishes for success.

Sincerely yours,

EXHIBIT E–6

SUGGESTED SAMPLE LETTER NO. 3

(To be sent within
15 days *after* due date)

Date

Dear Mr. Doe:

When you obtained your Health Professions (or Nursing) Student Loan, you borrowed from funds supplied by this school and the Federal Government. By failure to pay your loan installments as promised, you are depriving other students of funds needed for their education.

We know you appreciate the confidence your alma mater had in you when the loan was granted. Your loan payment of $_____, including principal and interest, is now past due; and we are counting on you to take care of this obligation within ten days.

Very truly yours,

SUGGESTED SAMPLE LETTER NO. 4

(To be sent within 60
days after due date)

Date

Dear Mr. Doe:

Because you failed to make payments on your loan as required by your repayment plan, or to call or write this office, it is necessary for us to contact the references you supplied on your loan application and your application for admission to this school in order to determine why we have not heard from you.

We regret that this action is necessary. A prompt payment from you will avoid this further embarrassment.

Sincerely,

SUGGESTED SAMPLE LETTER NO. 5

(To be sent within 90
days after due date)

Date

Alternative a:

Dear Mr. Doe:

The ABC University has decided to turn over to our attorney, Mr._____, for collection from you and your co-maker (if any), your note dated_____ maturing on_____ in the amount of $_____, upon which there still remains to be paid principal and accumulated interest in the amount of $

No doubt you remember that your note contains specific conditions for repayment. You should also be advised that if it is necessary to incur additional expense (legal fees, tracing fees, court costs, etc.) in the collection of this note, the school intends to request that these costs be assessed to you, the maker of the note. Before turning the note over to Mr._____ and subjecting you and your co-maker (if any) to that liability, however, we want to give you one last chance. We will, therefore, delay turning over this note to Mr._____ for ten days, with the hope that you and your co-maker (if any) will pay off the indebtedness or arrange with us a plan for repayment before the end of that time. (For your information, a copy of this letter is being sent to your co-maker, (if any).)

Very truly yours,

Alternative b:

Dear Mr. Doe:

Your Health Professions (or Nursing) Student Loan is still seriously delinquent. We have carefully reviewed your loan account and have decided to refer it to our attorney for collection through legal proceedings if payment is not received within fifteen days.

We hope that such action will not become necessary.

Sincerely,

EXHIBIT E–9

SUGGESTED SAMPLE LETTER NO. 6

(To be sent by Legal
Counsel upon receipt of account)

Date

Dear Mr. Doe:

The *ABC University* has turned over to me, as its attorney, for collection against you or your co-signer (if any) your note in the original amount of $_____, the present unpaid balance of which is now considerably overdue.

No doubt you also know that the *ABC University* intends to ask that any additional costs of collection be assessed against you.

If you or your co-signer (if any) will make arrangements to repay the amount of the unpaid balance within the next two weeks or arrange a plan for repayment satisfactory to Mr.____, fiscal officer of *ABC University*, I will not make any charge against you pursuant to the above request. If you or your co-maker (if any) do not make arrangements with Mr.______prior to that time, I will add this additional charge to your loan and proceed to take necessary legal steps to collect this amount.

I am hopeful that you will contact Mr.______or me to discharge, or make a plan to discharge, this indebtedness sometime within the next two weeks.

Most sincerely,

EXHIBIT F

ADDRESSES OF
STATE HEALTH AUTHORITIES

Alabama:
State Health Officer
State Department of Public Health
State Office Building
Montgomery, Alabama 36104

Alaska:
Director, Division of Public Health
Alaska Department of Health and Welfare
Pouch H
Juneau, Alaska 99801

Arizona:
Commissioner
State Department of Health
State Office Building
Phoenix, Arizona 85007

Arkansas:
State Health Officer
State Board of Health
State Health Building
State Capital Grounds
Little Rock, Arkansas 72201

California:
Director of Public Health
State Department of Public Health
2151 Berkeley Way
Berkeley, California 94704
Colorado:
Director of Public Health
State Department of Public Health
4210 East 11th Avenue
Denver, Colorado 80220

Connecticut:
Commissioner of Health
State Department of Health
79 Elm Street
Hartford, Connecticut 06115

Deleware:
Executive Secretary
State Board of Health
State Health Building
Dover, Delaware 19901

District of Columbia:
Director
District of Columbia Community
Service Administration
1875 Connecticut Ave., N.W.
Washington, D.C. 20009

Flordia:
State Health Officer
State Board of Health
P.O. Box 210
Jacksonville, Florida 32201

Georgia:
Director
Georgia Department of Public Health
47 Trinity Avenue, S.W.
Atlanta, Georgia 30334

Hawaii:
Director of Health
Hawaii Department of Health
Kinau Hale
P.O. Box 3378
Honolulu, Hawaii 96801

Idaho:
Administrator of Health
Idaho Department of Health
Statehouse
Boise, Idaho 83707

Illinois:
Director of Public Health
Illinois Department of Public Health
State Office Building
400 South Spring Street
Springfield, Illinois 62706

Indiana:
Secretary of State Board of Health and State Health Commissioner
State Board of Health
1330 West Michigan Street
Indianapolis, Indiana 46207

Iowa:
Commissioner of Public Health
State Department of Health
State Office Building
Des Moines, Iowa 50319

Kansas:
Executive Secretary and State Health Officer
State Department of Health
State Office Building
Topeka Avenue at Tenth
Topeka, Kansas 66612

Kentucky:
Commissioner of Health
State Department of Health
275 East Main Street
Frankfort, Kentucky 40601

Louisiana:
Director, State Department of Health and State Health Officer
State Board of Health
Civic Center
P.O. Box 60630
New Orleans, Louisiana 70160

Maine:
Commissioner
Maine Department of Health and Welfare
State House
Augusta, Maine 04330

Maryland:
Commissioner of Health
State Department of Health
State Office Building
301 West Preston Street
Baltimore, Maryland 21201

Massachusetts:
Commissioner of Public Health
Massachusetts Department of Public Health
546 State House
Boston, Massachusetts 02133

Michigan:
Director of Public Health
Michigan Department of Public Health
3500 North Logan Street
Lansing, Michigan 48914

Minnesota:
Secretary and Executive Officer
State Department of Health
University Campus
Minneapolis, Minnesota 55440

Mississippi:
Secretary and Executive Officer
State Board of Health
Felix J. Underwood State Board of Health Building
P.O. Box 1700
Jackson, Mississippi 39205

Missouri:
Director of Health
Division of Health
Missouri Department of Public Health and Welfare
State Office Building
221 West High Street
Jefferson City, Missouri 65101

Montana:
Executive Officer and Secretary
State Department of Health
Cogswell Building
Helena, Montana 59601

Nebraska:
Director of Health
State Department of Health
State House Station, Box 94757
Lincoln, Nebraska 68509

Nevada:
State Health Officer
Division of Health
State Department of Health
Welfare and Rehabilitation
201 South Fall Street
Carson City, Nevada 89701

New Hampshire:
Director, Division of Public Health
State Department of Health and Welfare
State Health Building
61 South Spring Street
Concord, New Hampshire 03301

New Jersey:
State Commissioner of Health
State Department of Health
P.O. Box 1540
Trenton, New Jersey 08625

New Mexico:
Executive Director
New Mexico Department of Health and Social Services
408 Galisteo Street
Santa Fe, New Mexico 87501

New York:
Commissioner of Health
State Department of Health
84 Holland Avenue
Albany, New York 12208

North Carolina:
Secretary and State Health Director
State Board of Health
225 North McDowell Street
Raleigh, North Carolina 27602

North Dakota:
State Health Officer
State Department of Health
Capitol Building
Bismarck, North Dakota 58501

Ohio:
Director of Health
Ohio Department of Health
450 East Town Street
Columbus, Ohio 43216

Oklahoma:
Commissioner of Health
State Department of Health
3400 North Eastern
Oklahoma City, Oklahoma 73105

Oregon:
State Health Officer
State Board of Health
1400 South West Fifth Avenue
Portland, Oregon 97201

Pennsylvania:
Secretary of Health
Pennsylvania Department of Health
State Capitol
Health and Welfare Building
Harrisburg, Pennsylvania 17120

Puerto Rico:
Secretary of Health
Puerto Rico Department of Health
Ponce de Leon Avenue
San Juan, Puerto Rico 00908

Rhode Island:
Director of Health
Rhode Island Department of Health
State Office Building
Providence, Rhode Island 02903

South Carolina:
State Health Officer
State Board of Health
J. Marion Sims Building
Columbia, South Carolina 29201

South Dakota:
State Health Officer
State Department of Health
State Capitol
Pierre, South Dakota 57501

Tennessee:
Commissioner of Public Health
Tennessee Department of Public Health
Cordell Hull Building
Sixth Avenue, North
Nashville, Tennessee 37219

Texas:
Commissioner of Health
State Department of Health
1100 West 49th Street
Austin, Texas 78756

Utah:
Director, Division of Health
Utah Department of Health and Welfare
44 Medical Drive
Salt Lake City, Utah 84113

Vermont:
State Health Commissioner
Vermont Department of Health
115 Colchester Avenue
Burlington, Vermont 05402

Virginia:
State Health Commissioner
State Department of Health
Bank and Governor Streets
Richmond, Virginia 23219

Virgin Islands:
Commissioner of Health
Virgin Islands Department of Health
Charlotte Amalie
St. Thomas, Virgin Islands 00802

Washington:
Director of Health
State Department of Health
Public Health Building
Olympia, Washington 98501

West Virginia:
State Director of Health
State Department of Health
State Office Building No. 1
1800 East Washington Street
Charleston, West Virginia 25305

Wisconsin:
State Health Officer
Division of Health
State Department of Health and Social Services
P.O. Box 309
Madison, Wisconsin 53701

Wyoming:
Director of Public Health
State Department of Public Health
State Office Building
Cheyenne, Wyoming 82001

MANUAL MAINTENANCE.

Whenever a Transmittal Notice is received, you should take the following steps promptly to complete your Manual:

1. Check its number against the number of the last previous notice. If the number is not the next in sequence, you should request the missing notice(s) from the issuing office.
2. Bring your Manual up-to-date by making the additions, deletions, and/or corrections specified in the transmittal notice.
3. Post (below) the number and date of the new notice and your initials.

CHECK LIST OF TRANSMITTAL NOTICES

MANUAL OF INFORMATION, POLICIES, AND PROCEDURES

HEALTH PROFESSIONS NURSING
STUDENT LOAN AND SCHOLARSHIP
PROGRAMS

TRANSMITTAL		ENTERED BY	TRANSMITTAL		ENTERED BY	TRANSMITTAL		ENTERED BY
NO.	DATE		NO.	DATE		NO.	DATE	

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